2/1/62

Airtel

To: SACs, Chicago (15-12848)

[redacted]

From: Director, FBI 15-38700-15,6

GERALD COVELLI: EX 101

[redacted]

FUGITIVE; et al.,
TFIS - CONSPIRACY;
OBSTRUCTION OF JUSTICE;
BRIBERY; MISPRISION OF FELONY

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Rerep SA [redacted] dated 1/24/62.

As previously stated, the AUSA in Chicago believes that the testimony of [redacted] The Bureau cannot interfere with the subpoena issued to the informant.

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1 - Mr. Evans (route through for review)
1 - Mr. Fipp

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NOTE: This case involves the trial in Federal Court, Southern District of Illinois, which is scheduled for the early part of February, 1962. It involves Gerald Covelli and five other subjects, who are being tried for a TFIS violation. The original trial of Covelli in January, 1959 resulted in a hung jury. It was subsequently determined that [redacted] In addition to this trial, there is scheduled another trial involving 11 subjects for the Obstruction of Justice, Bribery and Misprision of Felony Statutes. [redacted] previously testified before a Federal Grand Jury [redacted] and [redacted]

NOTE CONTINUED ON PAGE 2.

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Ingram
Gandy

MAILED 31
FEB 1 - 1962
COMM-FBI

FEB 12 1962

JHG:bm
(8)

MAIL ROOM [ ] TELETYPE UNIT [ ]

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NOTE CONTINUED:

AUSA Chicago [redacted] Chief of the Organized Crime Section of the Criminal Section of the Department of Justice, indicated in May, 1961, that the Department considers this case as one of the two most important organized criminal cases in the country at that time. Rerep indicates that correspondence was directed between [redacted] Chicago dated 1/5/62, which points up the [redacted] A conference was held on 1/8/62 in Mr. Evans Office at which time SAs [redacted] and Portella, who handles this informant in [redacted] were present. At that time it was determined that the Bureau cannot interfere with the Chicago subpoena. This airtel is being furnished Chicago and [redacted] to restate the Bureau's position in this matter.

FD-263 (Rev. 5-1-59)

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE	OFFICE OF ORIGIN	DATE	INVESTIGATIVE PERIOD
CHICAGO	CHICAGO	1/24/62	10/9/61 - 1/12/62

TITLE OF CASE

GERALD COVELLI; [redacted]
FUGITIVE; ET AL

REPORT MADE BY [redacted]

TYPED BY Je b6 b7C

CHARACTER OF CASE

TFIS - CONSPIRACY;
OBSTRUCTION OF JUSTICE;
BRIBERY;
MISPRISON OF FELONY

REFERENCES: Report of SA [redacted] at Chicago dated 9/29/61.
[redacted] airtel to Chicago dated 10/4/61 (IO).
[redacted] airtel to Bureau dated 11/14/61.
Chicago airtel to the Bureau dated 11/21/61.
Chicago airtel to Miami and Bureau dated 12/29/61.
Chicago airtel to Louisville dated 12/29/61 (IO).
Chicago airtel to the Bureau 1/2/62.
[redacted] airtel to the Bureau 1/5/62.
Chicago teletype to the Bureau 1/8/62.

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EXP. PROC.

- P -

LEADS

[redacted]

[redacted] Two copies of this report are being designated for the [redacted] Division for information purposes in view of the fact that one of the key

b7D

COVER PAGE

APPROVED J.H.G. SPECIAL AGENT IN CHARGE

DO NOT WRITE IN SPACES BELOW

15-38700-156 REC-16

EX-101

8 JAN 26 1962

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COPIES MADE:
1 - Bureau (15-38700)
1 - USA, Chicago
3 - [redacted] (Info) (1-47-2584)
1 - USA, [redacted]
1 - Springfield (Info) (15-1943)
2 - Chicago (15-12848)

DISSEMINATION RECORD OF ATTACHED REPORT

AGENCY				
REQUEST RECD.				
DATE FWD.				
HOW FWD.				
BY				

NOTATIONS

FUG. SUP.
STAT. SECT.

FBI

U.S. DEPT OF JUSTICE

JAN 26 3 38 PM '62

SPECIAL INVESTIGATIVE

[redacted]

U.S. DEPT. OF JUSTICE

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[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

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[redacted]

[redacted]

FEDERAL BUREAU OF INVESTIGATION

EXP. PRC

[redacted] and also in view of the fact that GERALD COVELLI [redacted] which case is currently in a pending inactive status until February 13, 1962, awaiting the outcome of prosecutive action in Chicago.

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One copy is also designated for Assistant United States Attorney [redacted] who advised that his office is desirous of proceeding against COVELLI [redacted] charge after prosecutive action is completed in Chicago.

SPRINGFIELD

AT PEORIA, ILLINOIS One copy of this report is being designated for the Peoria RA in view of the pending trail that area. According to Chief Judge FREDERICK O. MERCER, an early trial date is anticipated, possibly in early February, 1962.

CHICAGO

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AT CHICAGO, ILLINOIS Follow and report prosecutive action and maintain close contact with Assistant United States Attorney [redacted] who is handling this matter.

Will cause a check to be made of the records of Willett Truck Rental System for a period covering [redacted] for any information available reflecting that defendants in this matter may have rented a truck at that time.

ADMINISTRATIVE

It is noted that the period in this report is rather extensive, however, all leads in this matter have been handled in expeditious fashion with teletypes and airtels and further, the focal point of attention in this matter was being given to the preparation of this case for trial and the locating of Government witnesses.

CG 15-12848

By correspondence dated January 2, 1962, the Chicago Division advised the [redacted] Division that Assistant United States Attorneys, Chicago, handling this matter still consider [redacted] b6 b7C b7D b3

In line with the preparation of this case for trial, [redacted] was asked to ascertain the present whereabouts of [redacted] It was further requested that this information be discreetly obtained so that when [redacted] presence is desired at [redacted] he might be brought to this area when needed precluding his arriving early and associating at that time with a criminal element of this area. b6 b7C b7D

Assistant United States Attorneys have subsequently advised that the Department of Justice is closely following this matter and in view of the hoodlum element involved, the Attorney General has also expressed an interest in this case.

The [redacted] Division advised by correspondence dated January 5, 1962 that [redacted] in the past has been advised that his testimony in captioned matter must be his own decision and that neither SA JOHN S. PORTELLA or anyone else in the FBI could counsel him on just what to do. Attention of the Bureau and Chicago was called to the fact that since [redacted] b6 b7C b7D [redacted] One arrest was made in this matter and the possibility exists according to [redacted] that at least three other arrests will be made in the very near future. In both cases, there has been suspicion directed at [redacted] In the [redacted] case, the subjects are from the [redacted] area and any slight

proof they receive that [redacted] has been [redacted]
United States Government [redacted]
It should be noted that within the past two years there
have been at least five murders in the [redacted]
area and the unconfirmed rumor that two of the five were
killed because they were suspected of cooperating with the
Government.

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The [redacted] Division further noted that
[redacted]
and serious consideration should be given by the Bureau and
Chicago before exposing him as a Government witness. Over
the years [redacted] has been advised that the Bureau considers
the safety of its informants of paramount importance.
[redacted]
[redacted] telephone number [redacted] an
unlisted number.

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FD-204 (Rev. 3-3-59)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago
1 - USA, Pittsburgh

Report of: SA [redacted] Office: Chicago
Date: 1/[illegible]/62

Field Office File No.: 15-12848 Bureau File No.: 15-38700

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Title: GERALD COVELLI;
[redacted]
ET AL

Character: THEFT FROM INTERSTATE SHIPMENT; - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERTY; MISPRISON OF FELONY

Synopsis: The Whiskey Case (60CR332) was set for trial after several continuances to 1/8/62. On the court's own motion there was a pre-trial conference on 1/5/62 at which time defense attorneys filed motions for a continuance and change of venue. These motions were taken under advisement by the court for a ruling on 1/8/62. On 1/8/62, arguments re said motions were heard and concluded and defendant's motion for a continuance was denied. Defendant's motion for a change of venue to another district was granted and the case was transferred by the Honorable Judge HUBERT L. WILL to the Southern District of Illinois. USA, Springfield subsequently advised that this matter is now assigned to Chief Justice FREDERICK OL MERCER, who has promised an early trial date in this matter in Peoria, Illinois in the early part of 2/62. The Bribery Case (60CR331) was referred to the Executive Committee for reassignment by the Honorable Judge JAMES B. PARSONS, who disqualified himself from this matter and accordingly, this case was reassigned to Judge ROBSON. [redacted] known as [redacted] located and interviewed regarding [redacted] Defendant JOSEPH "Ruffy" LISCIANDRELLO [redacted] the Flame Tavern and results set forth.

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This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

CG 15-12848

DETAILS: At Chicago, Illinois

Conferences were had with Assistant United States Attorney [redacted] regarding this matter on December 28, 1961 and from January 2 to 9, 1962. At that time the location of Government witnesses in this matter was discussed along with other details in the preparation of a complex case of this type for trial. b6 b7C

The Whiskey Case (60CR332) was on Criminal Calendar #9, assigned to the Honorable Judge HUBERT L. WILL.

This matter was continued for trial on October 9 and November 6, 1962. On December 26, 1961, based on a Government motion, this cause was continued from January 2 to January 8, 1962 for trial.

On the court's own motion therewas a pre-trial conference on January 5, 1962 attended by defense and Government attorneys. At this conference, defense attorney [redacted] in behalf of his client, [redacted] filed motion for change of venue. Defense attorney, [redacted] in behalf of his client, JAMES ALLEGRETTI, filed a motion to reset this case for trail to a latter date. The above motions were concurred in by attorneys representing [redacted] and FRANK and JOE LISCIANDRELLO. A motion to lock up the jury during the trial was denied. Judge WILL took the other motions, that is, for a continuance and change of venue under advisement with a ruling to be made on same on January 8, 1962. b6 b7C

On January 8, 1962, all defendants with their respective attorneys were present in the court room of the Honorable Judge HUBERT L. WILL. At that time defense attorneys made a point of stressing the motion for a change of venue with several newspaper clippings which gave an account of this matter and attendant publicity in the Chicago press. Arguments regarding aforementioned motions were heard and concluded. The defendant's motion for a continuance of this matter was denied. The defendant's motion for a change of venue to another district, namely,

the Southern District of Illinois, was granted. The defense at that time made known their preferance for the Southern District of Illinois and Judge WILL ordered this case transferred to the Southern District of Illinois under the jurisdiction of Chief Justice FREDERICK O. MERCER.

The United States Attorney at Springfield was subsequently advised Assistant United States Attorneys, Chicago, that this matter was now assigned to Chief Justice FREDERICK O. MERCER, who had promised an early trial date in Peoria, Illinois in the early part of February, 1962.

The Bribery Case (60CR331) was referred to the Executive Committee for reassignment by the Honorable Judge JAMES B. PARSONS, who had disqualified himself from hearing this matter and this case was reassigned to Judge ROBSON.

FD-302 (Rev. 1-25-60)

FEDERAL BUREAU OF INVESTIGATION

Date 1/10/62

[redacted] known as [redacted] voluntarily appeared at the Chicago FBI Office on January 2, 1962 at which time he was interviewed concerning [redacted] while working at the Flame Tavern, Chicago, Illinois. He stated that [redacted] referred to as [redacted] the Flame Tavern, 2828 North Broadway, and [redacted] one of these [redacted] It was [redacted] opinion that [redacted] had operated this place of business for a year or two prior to that time. He went on to say that he thought [redacted] the premises, that is, the Flame Tavern, [redacted] in business at that address. [redacted] He noted that [redacted] however, he believed that [redacted] was "taking more out of the business than he was putting in", so he was not too successful.

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He went on to say that [redacted] was in [redacted] so approximately three or four months prior to [redacted] he approached [redacted] seeking [redacted] then entered into a verbal agreement with [redacted] stated that he "puts a lot of time in at the Flame" working various odd hours in the [redacted]

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As to the whiskey stock in the Flame Tavern, he stated that they carried various brands of whiskey and may on occasion have had a couple of fifths of Sunnybrook Whiskey; however, he was positive there was never any pints or half pints of any kind of whiskey, which included Sunnybrook. He stated that there was definitely no half pint bottles of Sunnybrook Whiskey in the place when he managed same. He also noted that there was definitely no "refilling of bottles" while he was there.

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On 1/2/62 at Chicago, Illinois File # 15-12848

by SA [redacted] Jem Date dictated 1/4/62

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

He remarked concerning additional details of the business as follows:

The business was not too good; however, it picked up a little in February, 1958. When the business picked up, in view of [redacted] they "passed the word around that the Flame was up for sale." Various patrons and acquaintances on occasion mentioned that they knew of a buyer; however, [redacted] felt this was "just conversation." He noted that a few days after passing the word around, a young fellow, whose name he did not recall, but whom he believed worked on a truck for an orange juice concern mentioned that he knew a man, though he did not specifically name him, who might be interested in the business. [redacted] at the time felt that this was just more conversation; however, shortly thereafter, a man who identified himself as JOSEPH LISCIANDRELLO, accompanied by a female, whom he stated [redacted] had occasion to visit the Flame. LISCIANDRELLO talked to [redacted] about [redacted] and directly inquired as to the price of the business. [redacted] said "You give me $1,000 clear and [redacted] LISCIANDRELLO said "Get all the bills together and pertinent papers and I'll be back." About two days thereafter, Mr. LISCIANDRELLO along with [redacted] came to the Flame Tavern again. At this time Mr. LISCIANDRELLO stated that he was buying the place [redacted] At this time all parties, that is, [redacted] LISCIANDRELLO [redacted] engaged in conversation pertaining to [redacted] Mr. LISCIANDRELLO and Mr. LISCIANDRELLO at that time gave [redacted] about $600-$700 in cash. The actual sale price being approximately $1,000; however, he deducted $200-$300 for delinquent mortgage payments.

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Mr. LISCIANDRELLO stipulated that he desired to operate the Flame under [redacted] liquor license for approximately two or three months pending the issuance of a new license.

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[redacted] frequented the Flame on several occasions thereafter and Mr. LISCIANDRELLO and [redacted] were there most of the time. b6 b7C

He noted that on occasion he received telephone callsfrom LISCIANDRELLO requesting that he come to the tavern to pick up some money to make a mortgage payments.

Mr. LISCIANDRELLO on one occasion assisted [redacted] in obtaining a union card with no money down. b6 b7C

On another occasion the police district found out that the Flame had been sold and [redacted] was requested by LISCIANDRELLO to come to the police station with [redacted] and "straighten the matter out."

[redacted] noted that to the best of his recollection, his [redacted] was present at the time of the sale as [redacted] gaven him, [redacted] $150 [redacted] and thereafter [redacted] left the Chicago area for [redacted] b6 b7C

[redacted] further stated that a short time after the sale of the Flame Tavern had been handled he heard that LISCIANDRELLO was "an putfit or syndicate" man.

Mr. LA ROCK is described as follows:

Name Better known as Residence	[redacted] b6 b7C
Race	White
Sex	Male
Age Birth	[redacted]
Employment	Seasonal occupation, [redacted]
Employer	[redacted]

By correspondence dated December 28, 1961, The Chicago Office in line with the preparation of this matter for trial requested the Louisville Division to alert [redacted] National Distillers, Burhein Lane, Louisville, Kentucky concerning the pending trial of this matter inasmuch as National Distillers was the shipper of the commodity involved. b6 b7C

By correspondence dated January 4, 1962, the Louisville Division advised that on January 3, 1962 [redacted] Northern District, Louisville, Kentucky, was contacted by SA [redacted] [redacted] concerning the trial tenatively set for January 8, 1962. [redacted] advised at that time that he maintained his file on this case and if he were not able to appear in Chicago personally, that [redacted] Kentucky Distillery Warehouses, would be present. [redacted] noted that [redacted] would bring the pertinent documents pertaining to the Sunnybrook Whiskey with him at that time. b6 b7C

[redacted] appeared in Chicago on January 8, 1962 at which time his subpoena was [redacted] resides at [redacted] telephone [redacted] and his position is that of [redacted] Kentucky Distillery Warehouses domiciled at Payne and Lexington Roads, Louisville, Kentucky, JUniper 3-4854. b6 b7C

On January 12, 1962, interview was had with [redacted] by SA [redacted] [redacted] is the Custodian of Records, City Collectors Office Chicago, Illinois. At this time, inquiry was made of [redacted] [redacted] concerning liquor licenses issued to the following taverns pertinent to this matter and [redacted] made available copies of this license for examination which in part reflected the following information: b6 b7C

Liquor license are issued from April to November and November to April. License [redacted] was issued to [redacted] doing business at 2828 North Broadway, first floor, on December, 1956 through April 30, 1957. There was an application for renewal and b6 b7C

aforementioned license was renewed to license number [redacted] in April, 1957 under the name [redacted] There was also a November, 1957 renewal license 1966 for 2828 North Broadway under [redacted] name. b6 b7C

There was a license [redacted] issued May 18, 1957 for the Cafe Continental, 44 East Walton, for a term ending October, 1957. Officers of said cafe were listed as President, [redacted] Secretary [redacted] Director [redacted] b6 b7C The liquor license was renewed in November, 1957 to license [redacted] under [redacted] License [redacted] was issued July 1, 1958 for a term ending October 31, 1958 for the Cafe Continental listed President [redacted] Vice President [redacted]

In June, 1956, for the premises at 530 North Rush Street, license number [redacted] was issued in the name of [redacted] b6 b7C The lessor for the premises was noted as the Milner Hotel, Inc., Book Building, Detroit, Michigan, from July, 1956 to June, 1966. There was also a renewal for the period beginning May 1, 1957, license [redacted] and a renewal for November, 1956, license [redacted]

From 1955 through November, 1958 for the premises at 816 N. Wabash, first floor, the name [redacted] appeared on the license. There were several renewals for this establishment. The license for this premises according to available records was revoked on December 5, 1958 by order of the Liquor Control Commission. b6 b7C

DIRECTOR, FBI (47-47833) 2/6/62

SAC, [redacted] (47-2584) (P*)

GERALD C. COVELLI, aka
IMPERSONATION
(OO: [redacted]

b7D

Re [redacted] letter to Bureau, 11/14/61.

A review of this file has disclosed that at the present time there is no investigation pending in [redacted]

This case is being retained in a pending inactive status until 5/1/62, UACB.

4- Bureau
(1- 15-38700)
(1- 26-250440)
3- Chicago (Info)
(1- 26-29843)
(1- 15-12843)
3- [redacted]
(1- 26-16999)
(1- 26-17636)

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GK/ewf
(10)

ORIGINAL COPY FILED IN

15-38700-
NOT RECORDED
17 FEB 9 1962

Bulky Exhibit - Inventory of Property Acquired as Evidence
FD-192 (Rev. 12-5-58)

Date February 1, 1962

☐ *Check, when submitting semiannual inventory, if no previous correspondence with Bureau.*

Bufile	Field Division
15-38700	CHICAGO

Title and Character of Case

GERALD COVELLI; [redacted]
[redacted] - FUGITIVE; ET AL
TFIS - CONSPIRACY; OOJ; MISPRISION OF FELONY

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Date Property Acquired	Source From Which Property Acquired
3/17/58	In trash behind Flame Cafe, 2828 N. Broadway

Location of Property or Bulky Exhibit	Reason for Retention of Property and Efforts Made to Dispose of Same
Bulky Exhibit Room	Evidence to be disposed of at completion of case.

Description of Property or Exhibit and Identity of Agent Submitting Same

Broken glass and Sunnybrook bottle tops with strip numbers:

24925634
24925632
24925666
24925665
24925638
24925636
249256--

SA [redacted]

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JHL:njs
(5)

15-38700

NOT RECORDED
22 FEB 13 1962

Field File # 15-12848-1B19

FUG. SUP.

FBI
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FEB 14 12 01 PM '62

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

FEB 14 4 52 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

Exhibit - Inventory of Property Acquired as Evidence
(19[redacted]ev. 12-5-58)

Date February 1, 1962

☐ *Check, when submitting semiannual inventory, if no previous correspondence with Bureau.*

Bufile	Field Division
15-38700	CHICAGO

Title and Character of Case

GERALD COVELLI; [redacted]
[redacted] - FUGITIVE; ET AL
TFIS - CONSPIRACY; OOJ; MISPRISION OF FELONY

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Date Property Acquired	Source From Which Property Acquired
2/28/58	A wooden shed on [redacted]

Location of Property or Bulky Exhibit	Reason for Retention of Property and Efforts Made to Dispose of Same
Bulky Exhibit Room	Evidence to be destroyed on completion of trial.

Description of Property or Exhibit and Identity of Agent Submitting Same

One empty Sunnybrook Whiskey carton which formerly contained half-pint bottles of Sunnybrook Whiskey.

Submitted by SA OTTO T. HANDWERK, Jr.

JHL:njs
(5)

EBI

15-38700

NOT RECORDED
22 FEB 13 1962

Field File # 15-12848-1B7

56 FEB 15 1962

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RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

Bulky Exhibit - Inventory of P[redacted]red as Evidence
FD-192 (Rev. 12-5-58)

Da[redacted] February 1, 1962

☐ *Check, when submitting semiannual inventory, if no previous correspondence with Bureau.*

Bufile	Field Division
15-38700	CHICAGO

Title and Character of Case

GERALD COVELLI; [redacted]
FUGITIVE; ET AL
TFIS CONSPIRACY; OOJ; MISPRISION OF FELONY

b6
b7C

Date Property Acquired	Source From Which Property Acquired
2/28/58	Wooden shed on [redacted]

Location of Property or Bulky Exhibit	Reason for Retention of Property and Efforts Made to Dispose of Same
Bulky Exhibit Room	Evidence to be destroyed on completion of trial.

Description of Property or Exhibit and Identity of Agent Submitting Same

Submitted by SA OTTO T. HANDWERK

1 — 11½" Butcher knife, 7" stainless steel blade with wood handle, printed on blade "Goodell Company."

17 — Pieces of brown cardboard with torn edges. Each piece contained black stencil printing "Gold Seal Liq's Chicago, Illinois"

17 — Pieces of brown cardboard with torn edges. Each piece contained black stenciling "Whiskey" and each piece had a number as follows:

J 589084	J 589319	J 589058	J 589075
J 589411	J 589067	J 589553	J 589198
J 589060	J 589746	J 589196	J 589301
		J 589066	J 589056
		J 589057	J 589190
		J 589560	

JHL:njs
(5)

15-[illegible]

FEB 13 [illegible]

Field File # 15-12848-1B6

FUG. SUP.

SIX

51 FEB 15 1962

FBI
U.S. DEPT. OF JUSTICE
FEB 14 12 04 PM '62

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
FEB 14 4 52 PM '62
F.B.I.
U.S. DEPT. OF JUSTICE

2/20/62

Airtel

To: SAC, Chicago (15-12848)

REC-48 From: Director, FBI (15-38700) - 157

GERALD COVELLI; [redacted]
[redacted] FUGITIVE, et al.;
EX 107 TFIS - CONSPIRACY; OBSTRUCTION
OF JUSTICE; BRIBERY;
MISPRISION OF FELONY

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Reurairtel 2/14/62.

Since [redacted] in U. S. District Court in Peoria on 2/26/62, there appears to be no reason why SA John S. Portella, [redacted] should accompany him. Any testimony to be given [redacted] must be free and voluntary and it would appear that SA Portella's presence in Peoria at the time of the trial might have the effect of coercing [redacted] to testify in this matter. In addition, it is not the function of Agents of this Bureau to accompany witnesses regardless of the fact that they may be informants of this Bureau.

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2 - [redacted]
(1 - 47-2584)

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NOTE: This case involves the trial in Federal Court, Peoria, Illinois, on 2/26/62. Gerald Covelli and five other subjects are being tried for TFIS violation. The original trial of Covelli in January, 1959, resulted in a hung jury. It was subsequently determined that [redacted] In addition to this trial, there is scheduled another trial involving 11 subjects for Obstruction of Justice, Bribery and Misprision of Felony. [redacted] before a FGJ [redacted] and [redacted] AUSA, Chicago, believes [redacted]

Tolson
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MAIL ROOM ✓ TELETYPE UNIT

FEB 20 1962
COMM-FBI

NOTE continued on page 2.

62 FEB 28 1962

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NOTE: continued

[redacted] and [redacted] Mr. Silberling, Chief of the Organized Crime Section, Department, indicated in May, 1961, that the Department considers this case to be one of the two most important organized criminal cases in the country. Referenced airtel requests SA Portella, who developed this [redacted] to accompany him to [redacted] to assist in [redacted] and to insure that he [redacted] U. S. Attorney's Office. It is believed [redacted] should answer this subpoena on his own and that the Bureau not interfere with any decision [redacted] should make regarding testimony to be given in this trial.

FD-36 (Rev. 12-13-56)

FBI

Date: 2/14/62

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL _____
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (15-38700)

FROM : SAC, CHICAGO (15-12848)

SUBJECT: GERALD COVELLI; [redacted] - FUGITIVE ET AL
TFIS - CONSPIRACY;
OBSTRUCTION OF JUSTICE;
BRIBERY;
MISPRISION OF FELONY

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Re Springfield airtel to the Bureau, 1/25/62 and Bureau airtel to Chicago and [redacted] 2/1/62.

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Referenced Springfield airtel advised that on January 24, 1962, Assistant United States Attorney [redacted] at Peoria, Illinois, advised that the trial date in this matter has been set in United States District Court at Peoria, Illinois, for 9:30 a.m., February 26, 1962.

Assistant United States Attorney's, Chicago, who will handle the prosecution of this matter have requested that SA JOHN S. PORTELLA of the [redacted] accompany [redacted] Reason for same is that Assistant United States Attorney, Chicago, contemplates some difficulty in the handling

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3 - Bureau
2 - [redacted]
(1 - 47-2584)
1 - Springfield (15-1943) (Info)
1 - Chicago

REC-48 15-38700-157

EX 101

4 FEB 27 1962

WDW:dkz
(7)

Approved: _____ Sent _____ Per _____
Special Agent in Charge

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

FEB 17 12 13 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

FEB 19 12 26 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

FBI
U S DEPT OF JUSTICE

FEB 20 4 58 PM '62

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

FEB 19 7 35 AM '62

U.S. DEPT. OF JUSTICE

[redacted] in view of past experience. He contemplates that there may be some reluctance on the part of [redacted] and therefore, deems it essential that SA PORTELLA accompany [redacted] in view of [redacted] many references to SA PORTELLA when [redacted] was last [redacted] with reference [redacted] and the close association that SA PORTELLA has with [redacted]

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For information of Bureau the United States Attorney, Chicago, has advised that the Department of Justice is closely following this matter in view of the hoodlum element involved and the Attorney General has also expressed an interest in the successful prosecution of this case.

It is requested that the Bureau consider the above request and advise.

GALE

FD-36 (Rev. 12-13-56)

FBI

Date: 2/21/62

Transmit the following in PLAIN TEXT
(Type in plain text or code)

Via ~~AIRTEL~~
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (15-38700)

FROM: SAC, CHICAGO (15-12848)

GERALD COVELLI; [redacted] -FUGITIVE;
ET AL
TFIS - CONSPIRACY; OOJ;
BRIBERY; MISPRISION OF FELONY

Re Chicago airtel to Bureau 2/14/62.

AUSA [redacted] Chicago, advised this date that the Government was in receipt of correspondence from defense attorneys [redacted] and [redacted] re pending trial in Peoria, Illinois, on 2/26/62, advising in substance that aforementioned attorneys would seek a continuance in this matter inasmuch as [redacted] was presently on trial in USDC, Chicago, and [redacted] was on trial in State Court. The Government took this matter under consideration and advised that on 2/26/62, when above motions were entered on behalf of defense, the Government would seek a trial date of 3/12/62.

AUSA [redacted] advised AUSA [redacted] at Peoria, Illinois, re the above and AUSA [redacted] advised that Judge MERCER, USDC, Peoria, had reserved 3/62 for pending trial this matter and he anticipated that if the date of 3/12/62 were agreeable to Government and defense that trial would proceed on that date.

Bureau will be apprised of pertinent subsequent developments.

GALE

(3) - Bureau
1- Miami (15-3341)(Info)
2 - [redacted] (47-2584)(Info)
[redacted] (Info)
1 - Springfield (15-1943)(Info)
1 - Chicago
WDW:amm
(8)

REC-46 15-38700 Enclosure 158

22 FEB 24 1962

EX-101

51 MAR 6 1962

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

FUG. SUP. SIX

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b6
b7C
b6
b7C
b7D

REC'D - LFPS
FBI

FEB 20 11 21 AM '62

RECEIVED-EVANS
FEB 24 3 39 PM '62
F B I
U.S. DEPT. OF JUSTICE

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
FEB 27 12 25 PM '62
F. B. I.
U. S. DEPT. OF JUSTICE

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
FEB 26 5 16 PM '62
F. B. I.
DEPT. OF JUSTICE

REC'D IDENT. DIV
FBI
FEB 28 11 38 AM 62

1 - Mr.
1 - Mr. Rosen
1 - Mr. Malley
1 - Mr. Welte
1 - Mr. Gamble

Mr. Herbert J. Miller, Jr.
Assistant Attorney General

March 21, 1962

Director, FBI

GERALD COVELLI, AND OTHERS;
THEFT FROM INTERSTATE SHIPMENT -
CONSPIRACY; OBSTRUCTION OF JUSTICE;
BRIBERY; MISPRISION OF FELONY

REC'D-READING ROOM
F B I
MAR 21 11 27 AM '62

In line with the conversation of [redacted] of the Criminal Division and Special Agent [redacted] of this Bureau, the following facts are being furnished.

[redacted] of our [redacted] Office. [redacted] Federal Grand Jury on [redacted] in Peoria, Illinois, on March 27, 1962. He states [redacted] Assistant United States Attorneys [redacted] and [redacted] to whom this case is assigned for prosecution, [redacted] and they state that they will force him to testify [redacted] If necessary, they indicate that they will subpoena Bureau Agents to testify [redacted]

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By way of background, this case involves the theft of a trailer-load of whiskey in Chicago, Illinois, on December 28-30, 1957. Six subjects are presently awaiting trial for violation of Theft from Interstate Shipment. The original trial of Gerald Covelli, one of the subjects in this case, was completed on January 19, 1959; however, the jury could not arrive at a verdict. It was learned at that time that [redacted] eleven subjects are awaiting trial in another case for violation of the Obstruction of Justice, Bribery and Misprision of Felony Statutes. Some of these subjects are close associates of top hoodlums in the Chicago area.

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[redacted] of our [redacted] Office, is in a position [redacted]

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MAILED 2
MAR 21 1962
COMM-FBI

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

1 - Mr. Evans
1 - Mr. A. B. Fipp

JHG:bm (10)

See memo Rosen To Belmont, same caption, 3/20/62, JHG:mc/bm

MAIL ROOM TELETYPE UNIT
MAR 26 1962
19 MAR 22 1962

REC'D BELMONT
FBI
MAR 20 12 05 PM '62

REC'D - JUSTICE
FBI
MAR 20 3 45 PM '62

REC'D - ROSEN
FBI
MAR 20 12 01 PM '62

RECEIVED
INVESTIGATIVE
DIVISION

F.B.I.
U.S. DEPT. OF JUSTICE

Mr. Herbert J. Miller, Jr.

When discussing [redacted] testimony in connection with the forthcoming trial, Assistant United States Attorneys [redacted] and [redacted] stated on March 1, 1962, that if [redacted] were asked on cross-examination [redacted] redirect examination request [redacted] b3 b6 b7C b7D If, however, he refused to answer this question on cross-examination, the Assistant United States Attorneys stated they would ask for a recess and point out to the Judge [redacted]

The Assistant United States Attorneys stated that [redacted] Assistant United States Attorney [redacted] stated, "No crook for the FBI is going to make a monkey out of me," and he would see to it that he proved to everyone present that [redacted] He said that he would do this with the express [redacted] Assistant United States Attorney [redacted] stated that he was aware that [redacted] was [redacted] inasmuch as [redacted] and, therefore, he considers [redacted] b6 b7C b7D b3

The Agent who discussed this matter with Assistant United States Attorneys [redacted] and [redacted] objected vehemently to their description of the [redacted] He also indicated [redacted] b6 b7C b7D

This entire matter was discussed with United States Attorney James P. O'Brien by our Chicago Office on March 9, 1962, and he has taken it under advisement. As of March 19, 1962, Mr. O'Brien had not communicated with our office in regard to this situation.

Mr. Herbert J. Miller, Jr.

[redacted] advised that he was in contact with United States Attorney O'Brien in Chicago on March 19, 1962, and that Mr. O'Brien is preparing a memorandum with his recommendation, which he will submit to the Department within the next day or two. b6 b7C

Mr. O'Brien was advised by our Chicago Office on March 20, 1962, [redacted] Federal Grand Jury [redacted] Since it now appears that [redacted] b6 b7C b3 b7D

I would appreciate being advised of the decision reached by you relative to [redacted] which was presented to [redacted] on March 19 and 21, 1962. b6 b7C b3 b7D

36 (Rev. 12-13-56)

FBI

Date: 3/20/62

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL _____
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (15-38700)

FROM : SAC, CHICAGO (15-12848)

SUBJECT: GERALD COVELLI; [redacted] b6 b7C
FUGITIVE; ET AL
TFIS - CONSPIRACY; OOJ;
BRIBERY; MISPRISION OF FELONY

Re Chicago airtel to the Bureau 3/14/62.

AUSA, Chicago, states that SA GEORGE STADTMILLER is necessary witness in captioned matter. Trial as previously stated scheduled to begin 9:30 A.M., 3/27/62 at Peoria, Illinois. SA STADTMILLER is requested to report in Peoria, Illinois, late afternoon 4/2/62.

UACB, Miami in accordance with AUSA instructions should insure SA STADTMILLER's availability regarding above.

GALE

(3) - Bureau
2 - Miami (15-3341)
1 - Chicago
WDW:MAZ
(6)

REC-47 15-38700-160
EX-113

5 MAR 22 1962

C C - Wick
273

57 MAR 27 1962

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

MAR 22 1963

MAR 22 2 01 PM '63

F.B.I.
U.S. DEPT. OF JUSTICE

OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

Memorandum

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

TO : Mr. Rosen

DATE: March 22, 1962

FROM : W. B. Welte

SUBJECT: GERALD COVELLI, AND OTHERS
THEFT FROM INTERSTATE SHIPMENT -
CONSPIRACY; OBSTRUCTION OF JUSTICE;
BRIBERY; MISPRISION OF FELONY

[redacted] Criminal Division of the Department, advised this afternoon he had been in contact with U. S. Attorney James P. O'Brien at Chicago. [redacted] said he told U. S. Attorney O'Brien that all phases and all possible implications should be considered in connection [redacted] of [redacted]

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[redacted] said he told U. S. Attorney O'Brien that he should bear in mind that [redacted] should be considered. The U. S. Attorney's Office should also consider the necessity of using [redacted] and that it should be borne in mind that [redacted] the defense attorneys would bring up the Jencks decision. He instructed that U. S. Attorney consider this matter from all angles.

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U. S. Attorney O'Brien told [redacted] that arrangements have been made for [redacted] where he will be interviewed by representatives of the U. S. Attorney's Office, [redacted] has not been talked to by his office since last summer and he felt that before making any decision he should have the results of the interview with [redacted]

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ASAC [redacted] Chicago Office, and ASAC [redacted] Office, were advised of the above information. Both were requested to closely follow this matter and keep the Bureau advised of all pertinent developments [redacted] was again instructed that all arrangements concerning this matter were to be between the U. S. Attorney's Office [redacted] In the event [redacted] volunteers information to the [redacted] Office, this information is to be furnished to the Bureau.

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RJG:ige
(5)

15-38700-1615

EX-101

REC-27

9 MAR 23 1962

223

1 MAR 29 1962

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

MAR 23 11 53 AM '62

F. B. I.
U. S. DEPT. OF JUSTICE

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

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OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

Memorandum

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

TO : Mr. Rosen

DATE: March 21, 1962

FROM : W. B. Wells

SUBJECT: GERALD COVELLI, AND OTHERS
THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY; OBSTRUCTION OF JUSTICE
BRIBERY; MISPRISION OF FELONY

On 3/20/62 I conferred with ASAC [redacted] of the [redacted] Office and advised him that [redacted] At the time [redacted] is informed that [redacted] it should be pointed out that he [redacted] considered to be [redacted] Government [redacted] Federal Grand Jury [redacted] at the trial. Now that [redacted]

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I thereafter spoke with SAC Gale of the Chicago Office and advised him that he was to inform U. S. Attorney James P. O'Brien that the Bureau [redacted]

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I was unable to contact [redacted] of the Department on 3/20/62. As of 9:05 a.m., 3/21/62, I contacted him and brought him up to date on our handling o [redacted]

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On the evening of 3/20/62 SAC Gale called back and advised that he had been in contact with O'Brien and O'Brien indicated that he will probably go ahead and [redacted] of the FBI. In my contact with [redacted] I also pointed this out to him.

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WBW:ige
(5)

EX-105

REC-28

15 MAR 28 1962

100-162

MAR 26 1962

63 MAR 30 1962

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DIVISION
MAR 21 5 06 PM '62
F.B.I.
U.S. DEPT. OF JUSTICE

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
MAR 23 6 35 PM '62
F.B.I.
U.S. DEPT. OF JUSTICE

(1)

[redacted]

[redacted]

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b3

[redacted]

[redacted]

79

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAR 23 1962

~~RADIO~~
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 3-23-62 5-33 PM JEG

TO DIRECTOR FBI AND SAC [redacted]

FROM SAC CHICAGO 15-12848

b6 b7C b7D b3

GERALD COVELLI, ET AL., TFIS DASH CONSPIRACY., OOJ., BRIBERY., MISPRISION OF FELONY.

AUSA [redacted] ADVISES THAT THE [redacted] ARE NECESSARY IN THE EVENT THAT IT IS DEVELOPED DURING THE COURSE OF THE TRIAL [redacted] HE EMPHASIZED THE FACT THAT HE HOPES THIS SITUATION DOES NOT OCCUR BUT IF IT DOES SUCH [redacted] ARE NECESSARY AND HE CITED THE CASE OF U. S. VERSUS KILLIAN. HE STATED FURTHER THAT IN THE EVENT IT BECOMES NECESSARY TO PRODUCE SUCH [redacted] HIS OPINION IS THAT SA PORTELLA OF THE [redacted] OFFICE IS THE PERSON WHO PROBABLY IS IN THE BEST POSITION [redacted] AND THEREFORE HE CONSIDERS PORTELLA A NECESSARY WITNESS. DESIRES PORTELLA BE IN PEORIA ~~PAREN~~ (SPRINGFIELD TERRITORY) ~~ENPAREN,~~ BY TWELVE NOON MARCH TWO SIX NEXT. REQUESTS PORTELLA [redacted] IN EVENT IT BECOMES NECESSARY TO PRODUCE SUCH [redacted] TO JUDGE FOR INCAMERA INSPECTION. SA PORTELLA WILL APPEAR UACB.

b6 b7C b7D b3

END AND ACK PLS

REC-37 15-38700-163

6-347 ~~3/23/62 5:37 PM OK FBI~~ WA DA

[redacted] OK FBI [redacted] LMB

TU DISC MV

16 MAR 26 1962

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MAR 29 1962

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

MAR 23 7 00 PM '62

F. B. I.
U.S. DEPT. OF JUSTICE

RECD-TELETYPE UNIT
RECEIVED
GENERAL INVESTIGATIVE
F. B. I.

MAR 23 6 38 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

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[redacted]

[redacted]

[redacted]

OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

Memorandum

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Mohr
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

TO : MR. TROTTER

DATE: 3-23-62

FROM : A. K. Bowles

SUBJECT: GERALD COVELLI; ET AL.
TFIS - CONSPIRACY; OOJ;
BRIBERY - MISPRISION
OF FELONY

ASAC [redacted] Chicago, telephoned today. He said U. S. Attorney needs Fingerprint Examiner [redacted] in Peoria, Illinois, no later than 12:00 o'clock noon, Monday, March 26, for pre-trial conference.

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ASAC [redacted] was advised [redacted] will be there as requested.

ACTION:

For record.

AKB:hs
(4)

1 - Mr. Rosen
1 - Mr. Latona

REC 27

15-38700-164

9 MAR 26 1962

EX-114

273

6 C MAR 29 1962

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

MAR 23 5 34 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

REC'D-TROTTER
F B I

MAR 23 12 08 PM '62

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

MAR 26 9 30 AM '62

F. B. I.
U.S. DEPT. OF JUSTICE

REC'D - ROSEN
FBI

MAR 26 8 47 AM '62

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

MAR 29 11 42 AM '62

F. B. I.
U.S. DEPT. OF JUSTICE

OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

Memorandum

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

TO : Mr. Rosen

DATE: March 23, 1962

FROM : [redacted]

SUBJECT: GERALD COVELLI, ET AL.;
TFIS - CONSPIRACY; OOJ;
BRIBERY; MISPRISION OF A FELONY

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At 9:15 p.m., 3/23/62, ASAC [redacted] of the Chicago Office telephonically advised SA George E. Benjamin as follows.

He contacted United States Attorney (USA) James P. O'Brien, Chicago, and asked O'Brien if he was aware of the request of Assistant United States Attorney (AUSA) [redacted] USA O'Brien advised ASAC [redacted] that he was not aware that [redacted] had made such a request and stated as a matter of fact he had advised AUSA [redacted] and AUSA [redacted] in a conference on 3/22/62, that a decision as to whether or not [redacted] would be used as a witness would not be made until after [redacted] and had been interviewed by members of the United States Attorney's Office in Chicago. ASAC [redacted] stated [redacted] s to appear in [redacted]

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In answer to the question as to whether or not the [redacted] USA O'Brien obviously did not know since he was not aware of the request of [redacted]

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With reference to the [redacted] USA O'Brien stated this would be for [redacted] nd he cited the case of U.S. versus Killian as a basis for this request.

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USA O'Brien requested ASAC [redacted] to get the [redacted] ready; however, they should not be mailed until further information is received from O'Brien.

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Regarding the reports on information furnished [redacted] USA O'Brien stated that SA John Portella of the [redacted] Office was to appear a [redacted] and USA O'Brien suggested that [redacted]

REC-27 15-38100-165

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USA O'Brien stated he is maintaining close contact with [redacted] of the Department regarding this matter.

16 MAR 26 1962

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60 MAR 30 1962

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RECEIVED
GENERAL INVESTIGATIVE
DIVISION

MAR 26 2 00 PM '62

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[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

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[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

Memorandum

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

TO : Mr. Rosen

DATE: March 23, 1962

FROM : W. B. Welte

SUBJECT: GERALD COVELLI, AND OTHERS
THEFT FROM INTERSTATE SHIPMENT -
CONSPIRACY; OBSTRUCTION OF JUSTICE;
BRIBERY; MISPRISION OF A FELONY

SAC B. C. Brown, [redacted] advised that [redacted] telephonically contacted SA John Portella of the [redacted] Office this morning and volunteered information to the effect that he had received a letter from the United States Attorney's Office in Chicago.

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The letter requested [redacted] to report to the United States Attorney at [redacted] (Wednesday). Letter also stated that hotel reservations had been made for [redacted] and that [redacted] should go to the United States Marshal to secure funds for travel purposes.

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SAC Brown stated this information was furnished by [redacted] on a strictly voluntary basis. SAC Brown has made this information available to the Chicago Office.

RJG:ige
(5)

REC- 44 15-38708-166

17 MAR 26 1962

EX-114

60 MAR 29 1962

RECEIVED
CENTRAL FILE
MAR 23 1 55 PM '64
F.B.I.
U.S DEPT. OF JUSTICE

OPTIONAL FORM NO. 10
5010-104

UNITED STATES GOVERNMENT

Memorandum

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

TO : Director, Federal Bureau of Investigation DATE: March 23,

FROM : Herbert J. Miller, Jr., Assistant Attorney General, Criminal Division

SUBJECT: Gerald Covelli, et al.

In reference to your March 21 memorandum concerning the above matter, this will confirm the conversation on March 22 between [redacted] in which the Bureau was advised that United States Attorney O'Brien stated that prior to making a decision concerning [redacted] as a witness, he wished to have an opportunity to examine the results of the personal interviews to be conducted [redacted] after his arrival [redacted] Mr. O'Brien is aware of the considerations set forth in your March 21 memorandum and has been instructed to weigh them carefully in making a determination concerning [redacted] He indicated that there would be adequate time for such a determination since [redacted] if used as a witness, would not be put on the stand for several days after his arrival.

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REC-44 15-38700-167

5 MAR 26 1962

EX-114

60 APR 2 1962

FBI
U. S. DEPT. OF JUSTICE
MAR 26 9 27 AM '62

RECEIVED - DIRECTOR DE LOACH
REC'D
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MAR 23 1 07 PM '62

F B I
MAR 23 6 35 PM '62

RECEIVED-EVANS
MAR 23 5 12 PM '62

MAR 23 2 58 PM '62
F B I
U.S. DEPT. OF JUSTICE
RECEIVED - TOLSON
F B I

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION
MAR 23 4 13 PM '62

REC'D - ROSEN
FBI

MAR 23 3 58 PM '62

REC'D BELMONT
FBI - JUSTICE

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
MAR 26 12 02 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

MAR 23 5 04 PM '62

REC'D-CRIMINAL SEC.
F B I

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAR 23 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 3-23-62 OAEI PM LMB

TO - DIRECTOR, FBI /15-38700/

ROUTE IMMEDIATELY TO [redacted]

FROM - SAC, [redacted] /47-2584/

GERALD COVELLI., [redacted] - FUG., ET AL

TFIS - CONSPIRACY, OOJ, BRIBERY, MISPRISON OF FELONY.

RETELCON TO [redacted] THREE TWENTYTHREE, INSTANT.

[redacted] AKA [redacted]

SYMBOL NO. [redacted] FIRST CONTACTED BY [redacted] OFFICE

SEVEN TEN, FIFTYSEVEN BY SA [redacted] FOLLOWING [redacted]

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[redacted]

END PAGE ONE...

58 APR 4 1962

FUBUP.

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[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

b6
b7C
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PAGE TWO.....

END PAGE TWO.....

PAGE THREE.....

[redacted] b6 b7C b7D

[redacted] AT CONCLUSION OF [redacted] - [redacted] THERE ARE NO ADVANCES, REFUNDS OF OUTSTANDING BALANCES. [redacted] NOTIFIED NO LONGER ABLE [redacted] TELEPHONICALLY CONTACTED SA JOHN S. PORTELLA THREE TWENTYTHREE -SIXTYTWO TO [redacted] b6 b7C b7D [redacted] HAS BEEN IN CONTACT WITH CHICAGO, OFFICE WHO COULD HAVE [redacted] AND BY MIAMI OFFICE [redacted] CHICAGO TELEPHONICALLY ADVISED [redacted] TO COMPLY WITH SEC. ONE ZERO SEVEN N - SEVEN A OF MANUAL OF INSTRUCTIONS.

END AND ACK PLS

POOR PLS PAGE ONE LINE ELEVEN LAST WORD IS - TWENTY- -

END AND ACK PLS

9-50 PM OK FBI WA RAM

TU DISC

CC: MR. EVANS

9 M Room

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

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FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAR 23 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 3-23-62 8-42 PM JEG

TO DIRECTOR FBI 15-38700

FROM SAC CHICAGO 15-12848

GERALD COVELLI. [redacted] DASH FUGITIVE., ET AL, TFIS DASH CONSPIRACY., OOJ, BRIBERY., MISPRISION OF FELONY.

USA, CHICAGO, REQUESTS PRESENCE ON [redacted] NEXT, OF FOLLOWING SA-S IN [redacted] TO TESTIFY REGARDING TRIAL CAPTIONED MATTER WHICH BEGINS ON [redacted] NEXT. SA [redacted] WHO TESTIFIES REGARDING INVENTORY OF SUNNYBROOK WHISKEY AT SILVERDOMES LOUNGE. SAS FRANK J. FORD AND GEORGE H. PARFET WHO TESTIFY REGARDING INVESTIGATION AT FLAME TAVERN AND RECOVERY OF SUNNYBROOK WHISKEY AT SAID TAVERN, AND CORROBORATE ASPECTS OF GERALD COVELLI-S TESTIMONY. SA JOHN J. OITZINGER WHO TESTIFIES DIRECTLY REGARDING DEFENDANTS [redacted] AND [redacted]. SA [redacted] TO WHOM THIS MATTER IS ASSIGNED AND WHO TESTIFIES REGARDING JOSEPH LISCIANDRELLO AND WILL BE AT COUNSEL TABLE. SA GEORGE STADTMILLER ~~PAREN~~ (MIAMI DIVISION AND ADVISED BY SEPARATE COMMUNICATION) ~~ENDPAREN~~ WHO TESTIFIES REGARDING [redacted] AND HANDLING OF EVIDENCE AT SILVERDOMES. SA JOHN S. PORTELLA ~~PAREN~~ ([redacted] DIVISION, DETAILS OF WHICH BUREAU IS AWARE OF) ~~END PAREN.~~ SAC ADVISED THAT USA-S REQUEST IS JUSTIFIED. UACB, ABOVE WILL BE COMPLIED WITH.

REC- 44 15-38700-169

END AND ACK AND H O L D PLS

EX-115

16 MAR 27 1962

9-44 PM OK FBI WA RAC HOLDING

273

60 APR 3 1962

CC-MR. ROSEN

FUGITIVE

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FBI
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MAR 22 1962
SPECIAL INVESTIGATIVE DIVISION
U.S. DEPT. OF JUSTICE
WASHINGTON, D.C.

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[redacted]

OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

Memorandum

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

TO : Mr. Wegte

DATE: 3/17/62

FROM : J. L. Startzell

SUBJECT: GERALD COVELLI, [redacted] FUGITIVE, ET AL. [redacted] TFIS - CONSPIRACY; OOJ; BRIBERY; MISPRISON OF FELONY

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At 4:45 p.m., Supervisor [redacted] Chicago Office, called to inquire about your instructions in this matter. He was told to furnish a short summary teletype this evening setting forth the general scope of testimony which can be expected from [redacted] in this matter. He will comply. He believes a complete transcript of [redacted] testimony before the grand jury, which is what the U. S. Attorney wants [redacted] will be available on Monday morning and it will be promptly forwarded to the Bureau.

b7D

JLS:mc
(3)

REC-43
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15-38700 170

18 MAR 27 1962

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U.S. DEPT. OF JUSTICE
F.B.I.

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MAR 30 8 00 AM

U.S. DEPT. OF JUSTICE
FBI

63 APR 3 1962

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U. S. DEPT. OF JUSTICE

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REC'D - CIV RIGHTS
MAR 30 9 48 AM '62

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DIVISION
MAR 26 9 39 PM '62
F. B. I.
U. S. DEPT. OF JUSTICE

RECEIVED
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DIVISION
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FBI
U. S. DEPT. OF JUSTICE

REC'D - CIV RIGHTS
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REC'D - CRIMINAL SEC.

OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

Memorandum

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

TO : Mr. Wegte

DATE: March 14, 1962

FROM : [redacted]

SUBJECT: GERALD COVELLI, AND OTHERS; THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISION OF FELONY

At 7:53 p.m., 3/14/62, SA [redacted] telephonically contacted Night Supervisor SA [redacted] re captioned case. SA [redacted] advised he would have SA Portella contact SA [redacted]

SA John Portella telephonically contacted SA [redacted] at 9:45 p.m., concerning these points.

1. The date [redacted] told the U. S. Attorney [redacted] FBI. (AUSA [redacted] Chicago, stated this was several months ago.)

SA Portella advised that on June 1, 1961, he received a conference telephone call at the [redacted] Office from AUSA [redacted] Chicago, and the informant [redacted] During this conversation the informant advised SA Portella that he had decided that he did not want to testify in this case and made the comment that he would rather [redacted] FBI and [redacted] and other incidental money he might be able to obtain. SA Portella stated that [redacted] over heard this conversation. SA Portella advised that informant [redacted] was [redacted] effective with Bureau letter 1/9/61, [redacted] of course, mentioned during the conference telephone call the fact that he had advised the U. S. Attorney that [redacted] FBI.

2. Did we tell the U. S. Attorney we did not consider an informant as "working for us?"

SA Portella advised that in his conference with AUSAs [redacted] and [redacted] in Chicago on March 7, 1962, he told these AUSAs that we did not consider persons such as [redacted] but rather as confidential sources and that [redacted] He stated he told these AUSAs that we did not consider informants as paid employees.

GEB:jlt (4)

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REC-105
15-38700

MAR 27 1962

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XEROX
MAR 29 1962

PERSONNEL UNIT

Incl 3/29/62

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DIVISION
MAR 26 2 11 PM '62

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U. S. DEPT. OF JUSTICE

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DIVISION
MAR 26 5 09 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

MAR 26 9 22 AM '62

F. B. I.
U. S. DEPT. OF JUSTICE

MAR 26 11 09 AM '62
REC'D-CRIMINAL SEC.
F B I

Memorandum to Mr. Welte
RE: GERALD COVELLI

3. Did the informant advise the AUSAs in Chicago on May 31, 1961, that he would refuse to testify?

SA Portella advised that he did not know if this was discussed prior to the conference telephone call mentioned in number one as taken place on June 1, 1961.

4. How did the USA find out [redacted] was an informant?

SA Portella advised that he was not absolutely sure of this, but he had been told [redacted] that at the time of the original subpoena to testify in [redacted] before the grand jury on [redacted] had told him that AUSA [redacted] in the presence of [redacted] said something to the effect, "Come on now [redacted] You might as well come clean with us. We have had this kid (referring to [redacted]) following you all over the country. He is an informant for the FBI." SA Portella advised that [redacted] had denied making this statement and Agents of the Chicago Office have denied knowing this statement was made.

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FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAR 23 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 3-23-62 8-44 PM JEG

TO DIRECTOR FBI 15-38700 ATTN. [redacted]

FROM SAC CHICAGO 15-12848

GERALD COVELLI., [redacted] DASH FUGITIVE., ET AL.,

TFIS DASH CONSPIRACY., OOJ.. BRIBERY., MISPRISION OF FELONY.

A REVIEW OF CHICAGO FILE PERTINING TO [redacted] PAREN [redacted] PAREN FAILS TO REFLECT [redacted] CORRESPONDENCE IN FILE WOULD TEND TO INDICATE THAT [redacted] WERE MADE THROUGH THE [redacted] DIVISION.

END AND ACK PLS

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FBI/DOJ

CC: MR. EVANS

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MAR 23 9 47 PM '62

FBI
U S DEPT. OF JUSTICE
MAR 27 4 33 PM '62

FBI
VOUCHER-STATISTICAL SECT
MAR 27 8 00 AM '62

MAR 26 2 00 PM '62
F. B. I.
U. S. DEPT. OF JUSTICE

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DIVISION

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TO INDICATE THAT [redacted] HEME NUDE ENDORSE THE [redacted] DIRECTOR'
[redacted] CORRESPONDENCE IN LIFE MOLDED THE
[redacted] PAGES ENTIRE TO [redacted]
V BEAMER OF CHICAGO LIFE PERTINENT TO [redacted] PAGE [redacted]
THIS PAGE CORRESPONDENCE COPY EXHIBITS MISCONDUCT OF REPORTER
SERVED COVELLI [redacted] PAGE FACILITIES ET AL
FROM SAC CHICAGO 12-ISSUE
TO DIRECTOR FBI 12-30100 VITA [redacted]
INCERT 3-52-05 8-AM FM SEC

TELETYPE

MAR 1 1962
COMMUNICATIONS SECTION

FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAR 28 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 3-28-62 6-25 PM JEG

TO DIRECTOR FBI 15-38700

FROM SAC CHICAGO 15-12848

GERALD COVELLI, ET AL, TFIS DASH CONSPIRACY., OOJ., BRIBERY., MISPRISION OF FELONY.

ON MARCH TWENTY EIGHT INSTANT, AUSA [redacted] ADVISED THAT HE HAD RECEIVED INFORMATION FROM A CONFIDENTIAL SOURCE TO THE EFFECT THAT A MAN, FNU [redacted] HAD ARRIVED IN CHICAGO TODAY FROM [redacted] AND WAS CARRYING A LARGE SUM OF MONEY TO QUOTE FIX END QUOTE TRIAL IN CAPTIONED MATTER. [redacted] UNABLE TO ADVISE DETAILS CONCERNING THE ALLEGED QUOTE FIX END QUOTE. HE STATED THAT AFTER ARRIVAL IN [redacted] REPORTED TO HAVE IMMEDIATELY DEPARTED FOR [redacted] THE ONLY IDENTIFYING DATA [redacted] HAD CONCERNING [redacted] IS THAT HE IS REPORTED TO BE A [redacted] IS ONE OF THE ATTORNEYS FOR THE DEFENSE IN INSTANT CASE. INQUIRY AT AMERICAN BAR ASSOCIATION FAILED TO DEVELOP ANY INFORMATION CONCERNING [redacted] SULLIVAN-S LAW DIRECTORY, FOR STATE OF ILLINOIS, LISTS ONE [redacted] WHO HAS OFFICE SPACE IN THE SAME BUILDING IN [redacted] AS [redacted] HOWEVER, [redacted] HAS A DIFFERENT TELEPHONE NUMBER AND DIFFERENT SUITE NUMBER. THE CHICAGO AGENTS WHO ARE PRESENTLY IN [redacted] AND RA-S [redacted] HAVE BEEN ALERTED TO INFORMATION FURNISHED BY AUSA [redacted] AND

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F. B. I.
U. S. DEPT. OF JUSTICE

INFELABE

WILL BE ALERT TO IDENTIFY [redacted] AND TO ANY ACTIVITY WHICH WOULD SUB- b6 b7C
STANTIATE INFORMATION RECEIVED BY [redacted]

END AND ACK PLS

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DIVISION

MAR 28 8 09 PM '62

F.B.I.
DEPT. OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAR 28 1962

TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 3-28-62 10-44 AM RJL

TO DIRECTOR, FBI /15-38700/

FROM SAC, CHICAGO /15-12848/ 1P

GERALD COVELLI, ET AL., TFIS DASH CONSPIRACY., OOJ., BRIBERY., MISPRISION OF FELONY.

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AUSA [redacted] ADVISES THAT SA ROBERT J. DENEEN OF THE CHICAGO OFFICE IS A NECESSARY WITNESS IN CAPTIONED CASE, WHICH IS NOW IN PROGRESS AT PEORIA, ILLINOIS. AUSA [redacted] STATES THAT HE EXPECTS SA DENEEN TO FURNISH TESTIMONY CONCERNING TRASH RECOVERED AT THE FLAME TAVERN, CHICAGO. I BELIEVE THAT AUSA [redacted] REQUEST FOR SA DENEEN AS A WITNESS IS JUSTIFIED. AUSA [redacted] DOES NOT KNOW EXACT DATE THAT SA DENEEN WILL TESTIFY, HOWEVER, ANTICIPATES IT WILL BE SOMETIME DURING WEEK OF APRIL TWO NEXT. SA DENEEN, WHO IS UNDER TRANSFER TO KANSAS CITY, IS SCHEDULED TO REPORT TO KANSAS CITY APRIL TWO NEXT, HOWEVER, IN VIEW OF FACT THAT HE IS NECESSARY WITNESS IN CAPTIONED CASE, HE WILL REPORT TO KANSAS CITY APRIL NINE NEXT UACB. KANSAS CITY ADVISED BY AMSD.

REC-57 15-38700-174

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25 APR 3 1962

END AND ACK RLS

WA 11-47 P AM OK ~~FBI WA ELR~~

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cc: Mr. Callahan

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DIVISION

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FBI

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U.S. DEPT. OF JUSTICE

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FBI

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J. EDGAR HOOVER
MAR 2 2 1962
COMMUNICATIONS SECTION
U.S. DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAR 30 1962

TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 3-30-62 3-18 PM RJL

TO DIRECTOR, FBI AND SACS, MIAMI AND HOUSTON

FROM SAC, CHICAGO /15-12848/ 1P

GERALD COVELLI., ET AL. TFIS. RE CHICAGO TELEPHONE CALL TO HOUSTON MARCH THIRTY INSTANT. [redacted] GOVERNMENT WITNESS, PRESENTLY [redacted] DEFENSE COUNSEL HAS REQUESTED TO SEE ALL STATEMENTS FURNISHED BY [redacted] TO BUAGENTS IN INSTANT CASE AND IN ITSMV CASE AT [redacted] ENTITLED QUOTE [redacted] ET AL UNQUOTE, WHICH TRIAL WAS HELD IN [redacted] INASMUCH AS SOME OF [redacted] INVOLVED STATEMENTS AVAILABLE IN [redacted] HAVE BEEN FURNISHED. [redacted] REQUESTED TO IMMEDIATELY FORWARD ALL STATEMENTS OF [redacted] TO CHICAGO OFFICE AMSD. SA JAMES J. O-CONNOR TOOK STATEMENTS FROM [redacted] AND IS NOW ASSIGNED TO THE MIAMI OFFICE. INASMUCH AS SA O-CONNOR TOOK THESE STATEMENTA, AUSA [redacted] CHICAGO, CONSIDERS HIM TO BE NECESSARY WITNESS AND REQUESTS HIS PRESENCE IN CHICAGO NO LATER THAN A.M. APRIL TWO NEXT. SA O-CONNOR WILL BE EXPECTED IN CHICAGO BY APRIL TWO NEXT, UACB. I CONSIDER THIS REQUEST JUSTIFIED.

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FD-36 (Rev. 12-13-56)

FBI

Date: 3/29/62

Transmit the following in _____ (Type in plain text or code)

Via AIRTEL _____ (Priority or Method of Mailing)

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

TO : DIRECTOR, FBI

FROM: SAC, CHICAGO ATTENTION: ASSISTANT DIRECTOR A. ROSEN

GERALD COVELLI, aka., et al
TFIS; CONSPIRACY; OJ; BRIBERY;
MISPRISON OF A FELONY

Remy call 3/28/62.

SA JOHN S. PORTELLA of the [redacted] office, is one of several agents who has been subpoenaed by the U. S. Attorney at Chicago for trial in instant case which is taking place in Peoria, Illinois. SA PORTELLA and other agents were subpoenaed to appear in Peoria for a pre-trial conference on Monday, 3/26/62.

On 3/27/62 at approximately 5:00 PM SA PORTELLA was advised that AUSA [redacted] desired to speak with him. SA PORTELLA went to the office of AUSA [redacted] an AUSA in Peoria who was working with AUSAs [redacted] and [redacted] of the U. S. Attorney's Office in Chicago. Present at the time of the interview of SA PORTELLA in the office of AUSA [redacted] were SA'S FRANK J. FORD, SA [redacted] and JOHN J. OITZINGER of the Chicago office. Also present were AUSAs [redacted] and a female stenographer who was later learned to be [redacted] official Federal District Court reporter and Government employee.

At the outset AUSA [redacted] proceeded to ask SA PORTELLA about [redacted] of the Bureau. When SA PORTELLA commenced to answer the question AUSA [redacted] directed the stenographer to "take this down". AUSA [redacted] then restated his question and asked SA PORTELLA if he knew what [redacted] intended to do and if he were going to show up at Peoria. SA PORTELLA responded he had no idea what [redacted] intended to

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25 MAR 31 1962

Approved: _____ Special Agent in Charge

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DIVISION

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DIVISION

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DIVISION

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U. S. DEPT. OF JUSTICE

REC'D-CRIMINAL SEC.
F B I

Tolson

Director, FBI

do and that [redacted] had received notification from the U. S. Attorney's Office to report on 3/28/62 [redacted] AUSA [redacted] then asked SA PORTELLA when he talked to [redacted] last and SA PORTELLA advised on 3/25/62 by telephone on a matter not related to instant case. b6 b7C b7D

AUSA [redacted] then asked about receipts [redacted] and SA PORTELLA explained that these receipts were maintained in Washington, D. C. Both [redacted] then asked SA PORTELLA if he had any reports regarding [redacted] SA PORTELLA advised he had some of the reports in memo form but stated not having been in [redacted] during the time [redacted] he did not have complete reports. [redacted] advised they wanted to review these reports and needed them in a hurry. SA PORTELLA advised that he did not have authority to produce any part of these records and authority would have to be obtained through the SAC in [redacted] then indicated that they would handle this request and repeated they wanted all reports received from [redacted] from the time [redacted] until he left. b6 b7C b7D

This was the gist of the interview between [redacted] and SA PORTELLA at this time. Following this interview SA PORTELLA telephonically contacted ASAC [redacted] Chicago, concerning the request for the records and receipts made by [redacted] The ASAC advised SA PORTELLA to inform [redacted] that he had discussed this matter with U. S. Attorney O'BRIEN on 3/23/62 and Mr. O'BRIEN had instructed that no reports or receipts were to be submitted until the AUSAs had talked to [redacted] personally and until the request came from O'BRIEN himself. b6 b7C b7D

At this time SA PORTELLA advised the ASAC of the above interview and stated that he did not voice objection to the procedure of recording the interview inasmuch as the matter appeared to be very informal and he believed that to refuse to answer after he heard the first question and to refuse to continue with the interview under these conditions

would only tend to further aggravate the situation. SA PORTELLA advised that he had since learned that he was the only individual who had been talked to by the AUSAs wherein the conversation was recorded, and that this procedure was not used concerning the pre-trial conference with any other agent.

This matter was discussed with Assistant Director A. ROSEN and pursuant to this discussion SA PORTELLA was advised by ASAC [redacted] that he was not to participate in any further interview with AUSAs [redacted] if they had a court stenographer present. He was advised that he should firmly and tactfully tell them that he would be agreeable to cooperation but that their action by having a court reporter present for any conversation with him impugned his integrity and that he would refuse to be interviewed under such circumstances. b6 b7C

ASAC [redacted] also contacted U. S. Attorney O'BRIEN and advised him of the activities of [redacted] and further told O'BRIEN that the Bureau and the Chicago office strenuously objected to such activities on the part of fellow members of the Department of Justice, that at least by inference it attacked the integrity of one of our agents, and Mr. O'BRIEN was advised that this protest was being called to his personal attention and our agent had been instructed not to participate in such interviews with his assistants in Peoria if they insisted on having a court reporter present. b6 b7C

Mr. O'BRIEN advised that he was in full agreement with the objection of the Bureau and the Chicago office in this matter and appreciated our calling it to his attention. Mr. O'BRIEN requested that the Bureau be specifically advised that this information pertaining to the conduct of his assistants had upset him tremendously and that he was violently opposed to such a method being employed by his assistants. He stated that he was unable to understand why such conduct would be engaged in and repeated that he believed it was reprehensible. He assured that very specific instructions would be issued to his assistants in Peoria relative to this procedure on the morning of 3/29/62.

Director, FBI

On the morning of 3/29/62 Mr. O'BRIEN called the ASAC and stated that he had given specific instructions in the most emphatic way he could to [redacted] to immediately cease and desist such an undesirable practice. b6 b7C

This entire trial is being followed very closely by the Chicago office and the Bureau will be kept advised of any pertinent developments.

As it will be recalled, AUSAs [redacted] in previous contact with SA PORTELLA concerning the use of [redacted] informant [redacted] as a witness, had a discussion that was reported by SA PORTELLA indicating the attitude of [redacted] and [redacted] with respect to using [redacted] as a witness in which conversation [redacted] indicated that if [redacted] took the stand and refused to testify, he would bring out in open court that [redacted] that while such would not be beneficial to the case on trial, he was not going to let a bum like [redacted] make a monkey out of him. [redacted] indicated in his conversation that he would do it hoping that it would perhaps get [redacted] killed. b6 b7C b7D

It will be further recalled that this episode was called to the attention of USA O'BRIEN who made inquiry concerning such approach on the part of his assistants.

GALE

N/A MK
4/3/62 1:36 am

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
APR 3 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

W

Walsh

6-

URGENT 4-2-62 11-58 PM EMM

TO DIRECTOR, FBI /15-38700/

FROM SAC, CHICAGO /15-12848/ 1P

GERALD COVELLI, ET AL

TFIS., OOJ., BRIBERY., MISPRISON OF FELONY

FEDERAL TRIAL TO BE RESUMED NINE THIRTY AM APRIL THREE SIXTYTWO, PEORIA, ILLINOIS, HOWEVER, DEFENDENT JOSEPH LISCIANDRELLO IS IN RAVENSWOOD HOSPITAL, CHICAGO, WITH SEVERE ASTHMATIC ATTACK. RESULTS OF MEDICAL EXAMINATION WILL BE GIVEN TO COURT APRIL THREE SIXTYTWO AT WHICH TIME COURT WILL CONSIDER DISCONTINUANCE. [redacted] LAST CONVERSATION HAD WITH [redacted] ON FRIDAY, MARCH THIRTY SIXTYTWO, BY AUSA,-S, [redacted] STATED HE WOULD TESTIFY. CONCENSUS AUSA INFORMATION IS THAT BECAUSE OF HIS EXPLOSIVE PERSONALITY, TESTIMONY WILL NOT BE KNOWN UNTIL HIS APPEARANCE IN COURT. BUREAU WILL BE APPRISED OF CURRENT DAILY DEVELOPMENTS.

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15-38700-177

END AND ACK PLS

1-00 AM OK FBI WA HFL

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REC-34

EX 100

50 APR 10 1962

11 APR 4 1962

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RECEIVED
GENERAL INVESTIGATIVE DIVISION
APR 3 1 38 AM '62
F.B.I.
U.S. DEPT. OF JUSTICE

RECEIVED
GENERAL INVESTIGATIVE DIVISION
APR 9 53 AM '62
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F B I
APR 3 1 01 AM '62

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APR 9 53 AM '62
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L BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE
UNICATIONS SECTION
APR 4 1962

TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 4-4-62 9-36 PM JEG

TO DIRECTOR FBI 15-38700

FROM SAC CHICAGO 15-12848

GERALD COVELLI, ET AL, TFIS., OOJ., BRIBERY., MISPRISON OF FELONY.

REMYTEL APRIL THREE LAST.

TRIAL RESUMED APRIL FOUR SIXTYTWO UNITED STATES DISTRICT COURT, PEORIA, ILL. AUSA-S MADE AVAILABLE TO COURT STATEMENTS FURNISHED BY [redacted] AND PRODUCED IN LINE WITH JENCKS DECISION. JUDGE REVIEWED SAME EN CAMERA. JUDGE RULED NO ADDITIONAL STATEMENT SHOULD BE TENDERED TO DEFENSE OTHER THAN TWO SIGNED STATEMENTS PREVIOUSLY FURNISHED. DEFENSE ENTERED MOTION FOR ADDITIONAL CROSS EXAMINATION OF [redacted] GOVERNMENT OBJECTED TO ANY FURTHER CROSS EXAMINATION. JUDGE DENIED DEFENSE MOTION.

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[redacted] ON STAND AS GOVERNMENT WITNESS AND WAS STILL ON STAND UNDER DIRECT EXAMINATION AT RECESS OF COURT THIS DATE. [redacted] AND WILL RETURN TO STAND APRIL FIVE, SIXTYTWO.

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SA JAMES J. O-CONNOR OF MIAMI OFFICE IN PEORIA AT REQUEST OF AUSAS SERVED WITH SUBPOENA TO APPEAR AS DEFENSE WITNESS APRIL FIVE SIXTYTWO. PURPOSE OF SUBPOENA IS UNKNOWN, HOWEVER, IT IS TO BE NOTED THAT AT PRIOR AUTO THEFT RING TRIAL, HOUSTON, TEXAS, SA O-CONNOR ASSISTED AT COUNSEL TABLE AND SIMILAR DEMAND MADE FOR PRODUCTION OF ALL STATEMENTS UNDER JENCKS LAW.

REC-57 15-38700-178

E CORRECTION-LINE 12 LAST WORD SLD BE "DIRECT"

END AND ACK AND HOLD ONE

10-42 PM OK FBI WA RAM

EX-122

25 APR 5 1962

cc. Gamble

4

RECEIVED
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DIVISION

APR 4 11 17 PM '62

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APR 4 10 42 PM '62

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APR 5 10 14 AM '62

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N 10 18/P
4/3/62 Ala

BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
APR 3 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

Walters

URGENT 4-3-62 8-48 PM RAM

TO DIRECTOR, FBI /15-38700/

FROM SAC, CHICAGO /15-12848/ 2P

GERALD COVELLI, ET AL, TFIS, OOJ, CONSPIRACY, MISPRISON OF FELONY.

REMYTEL APRIL TWO SIXTY-TWO.

TRIAL RESUMED IN PEORIA, ILLINOIS, AM APRIL THREE SIXTY-TWO. b6 b7C

DEFENSE ATTORNEY [redacted] IN BEHALF OF JOSEPH LISCIANDRELLO, ENTERED MOTION FOR MISTRIAL IN VIEW OF ILL HEALTH OF DEFENDANT LISCIANDRELLO OR FOR CONTINUANCE OF THIS CAUSE FOR TWO OR THREE WEEKS. HE SUPPORTED THIS MOTION WITH PHYSICIAN-S CERTIFICATE REFLECTING THAT JOSEPH LISCIANDRELLO IS PRESENTLY CONFINED TO RAVENSWOOD HOSPITAL, CHICAGO, ILLINOIS, WHERE IN ILL HEALTH DUE TO SEVERE ASTHMATIC ATTACK, BRONCHIAL PNEUMONIA AND CONJUNCTIVE HEART FAILURE. AUSA [redacted] ADVISED THE COURT THAT GOVERNMENT PHYSICIAN-S REPORT CONFIRMED IN SUBSTANCE THE ILL HEALTH OF LISCIANDRELLO, HOWEVER, HELD RECOVERY POSSIBLY TWO WEEKS. THEREAFTER DEFENSE ATTORNEYS MOVED FOR RECESS TO DISCUSS THIS MATTER AND SAME WAS DISCUSSED BY DEFENSE AND PROSECUTION IN JUDGE-S CHAMBERS. THEREAFTER COURT RULED MISTRIAL IN BEHALF OF DEFENDANT LISCIANDRELLO AND TRIAL RESUMED AS TO OTHER SUBJECTS.

REC-57 15-38700-179

END PAGE ONE

50 APR 12 1962

EX-122

25 APR 5 1962

EX-15

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APR 10 10 09 AM '62
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U.S. DEPT. OF JUSTICE

DETACH

GOVERNMENT WITNESSES [redacted] TESTIFIED. b6 b7C b7D

THE GOVERNMENT THEN TENDERED TO THE COURT FOUR ADDITIONAL SIGNED STATMENTS OF [redacted] FOR EN CAMERA REVIEW UNDER JENCKS DECISION PRIOR TO TURNING SAME OVER TO DEFENSE ON APRIL FOUR NEXT.

[redacted] PRESENTLY IN USA-S OFFICE LATE PM DESIRING AUDIENCE WITH AUSA-S. [redacted] INDICATED HE WILL REFUSE TO TESTIFY UNDER FIFTH AMMENDMENT.

SA-S [redacted] AND AUGUST KEMPFF OF THE CHICAGO OFFICE HAVE BEEN DIRECTED TO REPORT TO USDC PEORIA PRIOR TO NOON APRIL FOUR NEXT. b6 b7C b7D

SA [redacted] OF THE FBI LABORATORY WAS ALSO REQUESTED TO BE IN PEORIA ON APRIL FOUR NEXT. THE BUREAU WAS TELEPHONICALLY ADVISED OF THE REQUEST FOR SA [redacted] UACB ABOVE SA-S WILL APPEAR AS REQUESTED.

THE BUREAU WILL BE ADVISED OF ALL DEVELOPMENTS IN THIS MATTER.

END AND ACK PLS.

WA 9-58 PMOK FBI WA RAM

TUDIS

CC-[illegible]

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DIVISION

APR 3 10 09 PM '62

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U. S. DEPT. OF JUSTICE

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APR 3 9 59 PM '62

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APR 4 7 39 AM '62
REC'D-CRIMINAL SEC.
F B I

RECORDED CRIMINAL SEC.
FBI

APR 55-99235 AM '62

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
APR 5 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 4-5-62 9-14 PM JEG

TO DIRECTOR FBI 15-38700

FROM SAC CHICAGO 15-12848

GERALD COVELLI, ET AL, TFIS., OOJ., BRIBERY., MISPRISION OF FELONY.

REMYTEL FOUR FOUR LAST.

TRIAL RESUMED. JUDGE MERCER REVIEWED EN CAMERA TENDERS SUBMITTED BY GOVERNMENT RELATING TO [redacted] JUDGE SUPPRESSED BULK OF TENDERS, HOWEVER, ORDERED PORTIONS OF VARIOUS TENDERS BE MADE AVAILABLE UNDER JENCKS DECISION. [redacted] COMPLETED DIRECT TESTIMONY RELATING TO [redacted] IN CROSS EXAMINATION ATTORNEY [redacted] ATTEMPTED TO DISCREDIT [redacted] AS A LIAR, CHEAT AND PERJURER FROM EXERPTS IN [redacted] CAR RING TRIAL AND CHICAGO WHISKEY TRIAL. CROSS EXAMINATION TO BE CONTINUED TOMORROW.

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POSITION AS TO [redacted] STILL UNCERTAIN.

15-38700-180

~~CORRECTION: L 1 LAST WORD SLD BE "UNDER" L 6 W 6 SLD BE 15-88~~

END AND ACK PLS

REC-72

9 APR 6 1962

10-19 PM OK FBI WA RAC

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EX-102

60 APR 11 1962

cc- Gandy

23

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APR 5 10 19 PM '62

APR 6 7 43 AM '62
REC'D-CRIMINAL SEC.
F B I

Coming in to Handle 2:35 pm 3/17/62 Jane

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAR 17 1962

TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

b6
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URGENT 3-17-62 1-44 PM JMB

TO - DIRECTOR, FBI /15-38700/

ROUTE IMMEDIATELY TO MR. ROSEN-S DESK, ATTENTION MR. WELTE.

FROM- SAC, [redacted] /47-2584/ 7-P

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GERALD COVELLI, [redacted] DASH FUGITIVE, ET AL, TFIS DASH CONSPIRACY, OOJ., BRIBERY, MISPRISON OF FELONY.

RETEL CON, MR. WM. WELTE, CRIMINAL DIVISION, THREE SIXTEEN, LAST TO ASAC, [redacted]

ON JUNE ONE, SIXTY ONE, AUSA [redacted] CHICAGO, TELEPHONICALLY CONTACTED SA JOHN S. PORTELLA FROM CHICAGO AND SAID HE HAD [redacted] ON AN EXTENSION AND HE DESIRED TO CLEAR UP CERTAIN MATTERS ABOUT ABOVE CI-S TESTIFYING IN OPEN COURT [redacted] DURING THIS CALL CI SOUGHT ADVICE ON WHAT TO DO AND SA PORTELLA EXPLAINED THAT NO ONE COULD COUNSEL CI AS TO HOW TO TESTIFY AND THAT THE DECISION WOULD HAVE TO BE HIS ALONE TO MAKE. DURING THIS CALL CI QUOTE EXPLODED UNQUOTE AND SAID HE HAD DECIDED NOT TO TESTIFY AND WAS CONTENT

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END PAGE ONE

REC-72 15-38700-181

EX-103

63 APR 11 1962

10 APR 6 1962

[redacted]

[redacted] AT THIS POINT CI LEFT THE TELEPHONE AND AUSA [redacted] QUESTIONED SA PORTELLA AS TO WHETHER OR NOT CI WAS IN FACT [redacted] AND SA PORTELLA ACKNOWLEDGED THAT IT WAS TRUE AND THAT THE CHICAGO SA-S KNOW ABOUT THIS. [redacted] HAS A MEMO IN FILE DATED JUNE TWO, SIXTYONE RECORDING THE RESULTS OF THE JUNE ONE, SIXTYONE CONFERENCE TELEPHONE CALL. [redacted] OF OPINION THAT CONFERENCE TELEPHONE CALL OF JUNE ONE, SIXTYONE CONTAINED NOTHING OF INTEREST TO BUREAU AT THAT TPIME INASMUCH AS THERE WERE SEVERAL COMMUNICATIONS ALREADY FORWARDED TO THE BUREAU DEALING WITH [redacted] EXPOSURE. SA PORTELLA ON NUMEROUS OCCASIONS HAS CAUTIONED CI NOT TO REVEAL HIS CONFIDENTIAL ASSOCIATION TO ANYONE OUTSIDE THE BUREAU. THIS INCLUDED THE FACT [redacted] IT IS ENTIRELY POSSIBLE CI CONSIDERED AUSA-S PART OF THE BUREAU INASMUCH AS HE CLAIMS CHICAGO SA-S WERE GENERALLY PRESENT WHENEVER HE HAD ANY DEALING WITH USA-S OFFICE.

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CI HAS ON NUMEROUS OCCASIONS BEEN ADVISED THAT HE WAS NOT TO CONSIDER HIMSELF AND EMPLOYEE OF FBI [redacted]

b7D

END PAGE TWO

BY THE FBI SHOULD BE CONSIDERED [redacted] SA PORTELLA WAS NEVER IN CHICAGO DURING ANY OF THE DISCUSSIONS BETWEEN CI, AUSA-S, AND CHICAGO SA-S UNTIL MARCH ONE, LAST.

ON APRIL TWENTYSEVEN, SIXTY, SAS PORTELLA AND [redacted] [redacted] INTERVIEWED CI AT [redacted] AT HIS REQUEST AND AT THIS TIME HE STATED THAT WHILE HE WAS [redacted] TO TESTIFY BEFORE FGJ ON OR ABOUT [redacted] AUSA [redacted] EXPOSED HIM AS AN UNDERCOVER GOVERNMENT WITNESS TO [redacted] EXPLAINED TO [redacted] THAT HE DID THIS IN ORDER TO HELP [redacted] MAKE UP HIS MIND TO ASSIST THE GOVERNMENT. CHICAGO BY AIRTEL DATED MAY FIVE, NINETEEN SIXTY, ADVISED THAT AUSA [redacted] DENIED THAT HE EXPOSED [redacted]

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ON MARCH ONE NINETEEN SIXTYTWO, SA JOHN S. PORTELLA WHILE IN CHICAGO STRONGLY OBJECTED SEVERAL TIMES TO AUSA [redacted] USAGE OF WORDS QUOTE [redacted] UNQUOTE AND POINTED OUT TO HIM THAT PEOPLE WHO RISK THEIR LIVES TO ASSIST THE BUREAU AND THE GOVERNMENT ARE CONSIDERED BY THE BUREAU AS CONFIDENTIAL SOURCES, THAT THEY ARE [redacted] [redacted] AND NECESSARY, THAT IT WAS

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END PAGE THREE

EVIDENT [redacted] HAD NO IDEA OF HOW THE FBI OPERATED NOR DID HE CARE, OTHERWISE HE COULD NEVER MAKE SUCH REMARKS AND THAT IN THE FIRST INSTANCE, CHICAGO, THE BUREAU AND USA-S OFFICE [redacted] THAT IT WAS THE INFORMATION FURNISHED BY CI THAT LEAD TO THE SOLUTION OF THE SUNNY BROOK WHISKEY CASE AND THAT FOR ALL CONCERNED IT WOULD BE BEST IF [redacted] ADOPTED THE PHRASE CONFIDENTIAL SOURCE OR INFORMANT RATHER THAT HIS POOR CHOICE OF WORDS QUOTE [redacted] UNQUOTE. SA PORTELLA-S CONVERSATION WITH AUSA [redacted] LASTED FOR AT LEAST TWO HOURS, DURING WHICH PERIOD HE DID MOST OF THE TALKING EXCEPT FOR TIMES WHEN SA PORTELLA HAD TO CORRECT HIM ON ISSUES SUCH AS OUTLINED ABOVE. [redacted] DURING THIS INTERVIEW SAID MANY THINGS AND SA PORTELLA DID NOT MAKE EXTENSIVE NOTES EXCEPT TO RECORD WHAT HE CONSIDERED PERTINENT, NAMELY, THE ISSUES SET FORTH IN THIS TELETYPE AND IN OTHER RECENT COMMUNICATIONS TO THE BUREAU.

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AS SA PORTELLA LEFT AUSA [redacted] OFFICE HE SAID QUOTE IF YOU FOLLOW YOUR COURSE OF ACTION TO EXPOSE [redacted] TO THE WORLD AS A CONFIDENTIAL SOURCE, EVEN THOUGH YOU

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END PAGE FOUR

KNOW IT CANNOT HELP THE COVELLI CASE, THE BLOOD WILL BE ON YOUR HANDS, NOT MINE UNQUOTE. TO THIS REMARK [redacted] MERELY LAUGHED.

ON MAY TWENTYTWO, NINETEEN FIFTYEIGHT, AS A RESULT OF [redacted] WAS DROPPED AS A CI OT THE [redacted] OFFICE. HE RECEIVED AN EIGHTEEN MONTH SENTENCE. UPON HIS RELEASE FROM THE FEDERAL PENITENTIARY HE WAS SENT TO [redacted] TO AWAIT STATE ACTION ON ANOTHER CHARGE. HE MADE BAIL ON THIS CHARGE IN JULY, NINETEEN SIXTY.

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CHICAGO TELETYPE TO [redacted] DATED APRIL SEVEN NINETEEN SIXTY INDICATED [redacted] COVELLI CASE. [redacted] RESPONDED ON APRIL EIGHT, NINETEEN SIXTY, QUOTE [redacted] HAS NO OBJECTION TO CI TESTIFYING [redacted] AND DOES NOT CONTEMPLATE RETURNING HIM TO CI STATUS. UNQUOTE. THIS WAS PREPARED BY SA OTHER THAT SA JOHN S. PORTELLA. BY [redacted] LETTER TO THE DIRECTOR APRIL FIFTEEN NINETEEN SIXTY, SA PORTELLA POINTED OUR THAT [redacted] WAS IN JAIL AND THAT [redacted] CONTEMPLATED NO PRESENT UTILIZATION OF HIM AS CI FOR THAT REASON.

b7D

CHICAGO LETTER TO DIRECTOR DATED APRIL TWENTYTWO NINETEEN

END PAGE FIVE

PAGE SIX

SIXTY REPLECTS THAT IN MARCH NINETEEN SIXTY, NO EXACT DATE SHOWN, THE CHICAGO OFFICE RELAYED INFORMATION FURNISHED BY [redacted] [redacted] TO AUSA [redacted] CHICAGO AND SOUGHT ADVICE FROM BUREAU AT THAT TIME AS TO METHOD OF PREPARING REPORTS IN INSTANT CASE IN CONFORMANCE WITH JENCKS DECISION. [redacted] TESTIFYING BEFORE FGJ AND HIS PRESENT PROBLEMS OF TESTIFYING IN OPEN COURT ARE TOW ENTIRELY DIFFERENT PROBLEMS. HE WAS TOLD THAT FGJ IS SECRET SESSION AND FELT RELATIVELY SAFE, BUT NOT REALIZES THAT OPEN COURT IS ANOTHER MATTER. WHEN HE WAS CALLED IN APRIL NINETEEN SIXTY TO APPEAR BEFORE FGJ, HE WAS A PRISONER OF [redacted] AND HARDLY HAD A CHOICE ABOUT GOING OR NOT. [redacted] AT THAT TIME HAD NO PRESENT PLANS TO RETURN HIS TO CI STATUS, BUT ON NOVEMBER SIXTEEN, NINETEEN SIXTY, BUREAU [redacted] SINCE HIS RETURN [redacted] SHOWS EVERY SIGN OF [redacted] HIS USE AS A GOVERNMENT WITNESS IN OPEN COURT DIFFERS FROM THAT OF TESTIFYING BEFORE A FGJ AND THE DECISION SHOULD BE HIS ALONE TO MAKE. SHOULD HE CHOOSE NOT TO TESTIFY FOR FEAR OF LOSS OF

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b7D

CORR LINE 7 WRD 8 SHL BE TWO

LINE 9 WRD 4 SHL BE NOW

END PAGE SIX

LIFE AND SELF INCRIMINATION THE BUREAU SHOULD NOT ALLOW ANYONE IN THE GOVERNMENT TO PURPOSEFULLY EXPOSE HIS SO THAT HIS LIFE IS PLACED IN JEOPARDY ITH OUT THE PRIMARY PURPOSE BEING ACHIEVED, THAT IS THE SUCCESSFUL PROSECUTION OF THE COVELLI CASE. IF THE DEPARTMENT ALLOWS [redacted] TO FOLLW THROUGH WITH HIS VINDICTIVENESS IT WILL BEGIN TO MARK THE END OF THE BUREAU-S INFORMANT PROGRAM. CHICAGO ADVISED BY MAIL.

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CORR PLS LINE THREE WRD 7 SLH BE WITH OUT

END AND ACK PLS

2-12 PM OK FBI WA WS

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MAR 17 2 12 PM '62
F.B.I. DEPT. OF JUSTICE

PAGE SEVEN

FILE AND SELF INCRIMINATION THE BUREAU SHOULD NOT ALLOW
ANYONE IN THE GOVERNMENT TO PURPOSEFULLY EXPOSE HIS SO THAT
HIS FILE IS PLACED IN JEOPARDY WITH OUT THE PRIMARY PURPOSE
BEING ACHIEVED, THAT IS THE SUCCESSFUL PROSECUTION OF THE
COVELLI CASE. IF THE DEPARTMENT ALLOWS [redacted] TO FOLLW
THROUGH WITH HIS VINDICTIVENESS IT WILL BEGIN TO MARK THE END
OF THE BUREAU-S INFORMANT PROGRAM. CHICAGO ADVISED BY MAIL.
CORR PLS LINE THREE WRD 7 SHH BE WITH OUT
END AND ACK PLS
S-15 PM OK FBI WV WS
TU DISC

b6
b7C

1-36 (Rev. 11-14-57)

FEDERAL BUREAU OF INVESTIGATION
LATENT FINGERPRINT SECTION WORK SHEET

Recorded: 4-9-62 10:00am

Reference No: 15- 12848
FBI File No: 15 - 38700
Latent Case No: 14 274

Received: 4/7/62/pns

Answer to: Chicago, FBI

Examination requested by: Chicago

Copy to:

RE: Gerald Coressi, ET AL
TFIS - Conspiracy; OOJ
Bribery - Misprison of Felony

Date of reference communication: Teletype 4 7 62
Specimens:

Named Suspect

[redacted]

b6
b7C

Dir Lynch

Result of examination:

Examination by: Hippensteel
Evidence noted by:

Latent prints not & lifts — No prints —

[redacted] FBI #

[redacted]

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Teletype 4/8/62 (10:15 AM)

Teletype ans 4-8-62

223

NA

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAR 17 1962

TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 3-17-62 5-54 PM RJL

TO - DIRECTOR FBI 15-38700

FROM - SAC CHICAGO 15-12848 2- P

GERALD COVELLI., ET AL, TFIS DASH CONSPIRACY., OOJ., BRIBERY., MISPRISION OF FELONY.

b6
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b7D

RE BUREAU TELEPHONE CALL INSTANT.

[redacted]

AND FRANK LISCIADRELLO AT THE SILVER DOME LOUNGE WHEN THEY DISCUSS THE QUOTE REFILLING OPERATION UNQUOTE. HE IS ALSO PRESENT AT THE CAFE CONTINENTAL WHEN COVELLI, JOSEPH LISCIADRELLO, AND [redacted] [redacted] DISCUSS HANDLING OF THE SUNNYBROOK WHISKEY AND REFILLING. HE WAS AT THE FLAME TAVERN WHEN COVELLI HAD CONVERSATION WITH JOSEPH LISCIADRELLO REGARDING SUNNYBROOK WHISKEY. HE CORROBORATES [redacted] TESTIMONY CONCERNING ACTIVITIES OF JAMES ALLEGRETTI. THE USA- S OFFICE IS DESIROUS OF [redacted] THE FGJ [redacted] ATTEMPTS WILL BE MADE TO GET TRANSCRIPTS OF THIS TESTIMONY ON MARCH NINETEEN NEXT.

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ON MARCH NINE LAST ASAC [redacted] DISCUSSED NATURE OF

END PAGE ONE

EX-102

REC-72

15-38700-182

233

60 APR 11 1962

10 APR 6 1962

cc Bamble

CONVERSATION HAD WITH SA JOHN PORTELLA, [redacted] DIVISION, AND AUSA [redacted] CONCERNING [redacted] TESTIFYING WITH USA JAMES P. O- BRIEN. MR. O- BRIEN ADVISED HE WOULD TAKE THIS MATTER UNDER HIS ADVISEMENT. b6 b7C b7D

END AND ACK

7-00 PM OK FBI WA WS

TU DISCOV

REC'D-TELETYPE UNIT
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MAR 17 7 02 PM '62

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DIVISION
MAR 17 7 12 PM '62
F. B. I.
U. S. DEPT. OF JUSTICE

TO DISCOV

1-00 PM CK FBI NY NS

END AND ACK

MATTER UNDER THIS ADVISEMENT.

WITH USA NAMES P. O- BRIEN. MR. O- BRIEN STATED HE WOULD TAKE THIS

[redacted] CONCERNING [redacted] TESTIFYING

CONVERSATION HAD WITH SA JOHN FORTELLA, [redacted] DIVISION, AND MARY

PAGE TWO

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b7C
b7D

FD-36 (Rev. 12-13-56)

FBI

Date: 3/19/62

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL _____
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (15-38700)

FROM: SAC, CHICAGO (15-12848)

GERALD COVELLI, ET AL
TFIS - CONSPIRACY; OOJ;
BRIBERY; MISPRISION OF FELONY

Remytel 3/17/62.

Enclosed herewith for the Bureau is a photostat of testimony of [redacted] before the April, 1960 Federal Grand Jury, [redacted]

b6
b7C
b7D

The above is furnished for your information in line with information set forth in retel.

GALE

3 - Bureau (Encl. 1)
1 - [redacted] (47-2584) (Info)
1 - Chicago

WDW:DAR
(5)

ENCLOSURE

"ENCL BEHIND THIS COVER SHEET"

116

15-38700-183

REC-27

5 MAR 21 1962

Enclosure behind file

CC - WICK

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

53 APR 11 1962

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

MAR 21 11 56 AM '62

F.B.I.
U.S. DEPT. OF JUSTICE

APR 6 1962

FD-36 (Rev. 12-13-56)

FBI

Date: 3/14/62

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(Type in plain text or code)

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Via _____
(Priority or Method of Mailing)

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. Dalbeck
Mr. Evans
Mr. Gale
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

TO : DIRECTOR, FBI (15-38700)

FROM : SAC, CHICAGO (15-12848)

SUBJECT: GERALD COVELLI; [redacted] FUGITIVE;
ET AL
TFIS - CONSPIRACY
OBSTRUCTION OF JUSTICE; BRIBERY
MISPRISION OF FELONY

b6
b7C

Re Chicago airtel to Bureau 2/21/62.

Trial date of captioned matter scheduled to begin 9:30 a.m. 3/27/62 at Peoria, Illinois.

AUSA's, Chicago, advised that in the course of trial the following Special Agents are expected to testify:

From the FBI Laboratory:
Lab Examiner [redacted]

From the Chicago Division:
Supervisor [redacted]
SAs JOHN J. OITZINGER
[redacted]
FRANK J. FORD
GEORGE H. PARFET

b6
b7C

15-38700-184

EX-116
REC-27

12 MAR 16 1962

(3) - Bureau
1 - Miami (15-3341) (Info)
1 - Springfield (15-1943) (Info)
1 - Chicago

WDW:mjv
(6)

FUG. SUP.

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

57 APR 11 1962

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

MAR 16 10 21 AM '62

F. B. I.
U. S. DEPT. OF JUSTICE

REC'D - ROSEN
FBI

MAR 16 10 12 AM '62

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

APR 6 9 21 AM '62

F. B. I.
U. S. DEPT. OF JUSTICE

APR 6 1962

MAR 16 2 04 PM '62
REC'D-CRIMINAL SEC.
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CG 15-12848

From the Miami Division
SA GEORGE STADTMILLER

AUSA's, Chicago, request that SA [redacted] sit at counsel table during trial to assist in this matter. In this connection it is to be noted that SAC had previously granted permission to SA [redacted], to whom this case is assigned, to sit at counsel table.

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UACB the above request will be complied with accordingly.

GALE

OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

Memorandum

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

TO : MR. TROTTER

DATE: 4/3/62

FROM : S. F. Latona

SUBJECT: GERALD COVELLI; [redacted]
FUGITIVE; ET AL.
TFIS - CONSPIRACY;
OBSTRUCTION OF JUSTICE;
BRIBERY - MISPRISION OF
FELONY

b6
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In accordance with the telephoned request of ASAC [redacted] of Chicago to Inspector [redacted] this afternoon, Fingerprint Examiner [redacted] is leaving for Peoria, Illinois, at 8:00 a.m., 4/4/62 via American Airlines to offer latent print testimony in this case.

b6
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The following listed material is being taken from the Bureau's files:

Applicant fingerprint card [redacted]
Fingerprint card [redacted] Police Department, Chicago, Illinois, 1/24/62
Fingerprint card [redacted] U. S. Marshal, Chicago, Illinois (These cards are from the identification record of [redacted] FBI [redacted])
Negatives and photographs of the latent impressions
Charted enlargements illustrating two identifications

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On arrival, [redacted] will contact the U. S. Attorney's Office at Peoria.

ACTION:

For record.

REC-1

15-38700-185

15-38700

REC:lfj
(3)

ENCLO. BEHIND FILE

25 APR 5 1962

57 APR 11 1962

16

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
APR 5 12 10 PM '62
F. B. I.
U. S. DEPT. OF JUSTICE

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F. B. I.
U. S. DEPT. OF JUSTICE

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DIVISION
APR 5 10 04 AM '62
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U. S. DEPT. OF JUSTICE

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REC'D-CRIMINAL SEC.
F B I

REC'D-ROSEN
FBI
APR 5 9 50 AM '62

REC'D-TROTTER
F B I
APR 4 2 21 PM '62

The Deputy Attorney General March 22, 1962

REC-32 15-38700-186

Director, FBI

EX-102

GERALD COVELLI, AND OTHERS;
THEFT FROM INTERSTATE SHIPMENT -
CONSPIRACY; OBSTRUCTION OF JUSTICE;
BRIBERY; MISPRISION OF FELONY

REC'D-READING ROOM
F B I
MAR 27 11 57 AM '62

I thought you would be interested in a most unusual situation that has developed in the Office of the United States Attorney in Chicago, Illinois, involving Assistant United States Attorneys [redacted] and [redacted] in connection with the contemplated prosecution in the above-entitled matter. It is to be noted that details in this connection have been brought to the attention of the Criminal Division, as well as the United States Attorney in Chicago.

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[redacted] an informant of our [redacted] Office, who testified before the Federal Grand Jury on [redacted] has indicated that in all probability [redacted] at the forthcoming trial in [redacted] He states [redacted] Assistant United States Attorneys [redacted] and [redacted] to whom this case is assigned for prosecution, consider him a [redacted] and they state that they will force him to testify [redacted] If necessary, they indicate that they will subpoena Bureau Agents [redacted]

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By way of background, this case involves the theft of a trailer-load of whiskey in Chicago, Illinois, on December 28-30, 1957. Six subjects are presently awaiting trial for violation of Theft from Interstate Shipment. The original trial of Gerald Covelli, one of the subjects in this case, was completed on January 19, 1959; however, the jury could not arrive at a verdict. It was learned at that time that one of the jurors had been bribed by payment of $200 and as a result eleven subjects are awaiting trial in another case for violation of the Obstruction of Justice, Bribery and Misprision of Felony Statutes. Some of these subjects are close associates of top hoodlums in the Chicago area.

MAILED 2
MAR 22 1962
COM-FBI

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

1 - Mr. Evans
1 - Mr. A. B. Fipp
JHG:jlt:ige
(10)

Memorandum prepared for Deputy Attorney General [redacted] pursuant to the Director's request.

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APR 12 1962
MAIL ROOM TELETYPE UNIT

REC'D BELMONT
FBI - JUSTICE

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

FBI
U. S. DEPT. OF JUSTICE

RECEIVED-DIRECTOR
F. B. I.

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

MAR 22 10 08 AM '62

MAR 26 9 14 AM '62

MAR 22 12 03 PM '62

APR 6 9 21 AM '62

F. B. I.
U. S. DEPT. OF JUSTICE

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

F. B. I.
U. S. DEPT. OF JUSTICE

MAR 26 2 29 PM '62

REC'D-CRIMINAL SEC.
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MAR 22 1 00 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

MAR 26 9 47 AM '62

F. B. I.
U. S. DEPT. OF JUSTICE

F B I
MAIL ROOM

The Deputy Attorney General

[redacted] an informant of our [redacted] Office, is in a position to testify [redacted] in the Theft from Interstate Shipment case and [redacted]

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When discussing [redacted] testimony in connection with the forthcoming trial, Assistant United States Attorneys [redacted] stated on March 1, 1962, that if [redacted] were asked on cross-examination [redacted] they would on redirect examination request him to tell the truth. If he refused to do so, they would call Agents of this Bureau [redacted] If, however, he refused to answer this question on cross-examination, the Assistant United States Attorneys stated they would ask for a recess and point out to the Judge that if [redacted] was forced to answer this question he would be placing his life in jeopardy.

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The Assistant United States Attorneys stated that if he refused to testify on the grounds [redacted] they would see to it that he received the maximum sentence for Contempt of Court. Assistant United States Attorney [redacted] stated, "No crook for the FBI is going to make a monkey out of me," and he would see to it that he proved to everyone present that [redacted] He said that he would do this with the express purpose of placing [redacted] life in jeopardy, hoping that someone would kill him. Assistant United States Attorney [redacted] stated that he was aware that [redacted] inasmuch as [redacted] told him that [redacted] FBI and, therefore, he considers [redacted] Agent of the FBI who has no choice whether or not to testify for the Government.

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The Agent who discussed this matter with Assistant United States Attorneys [redacted] objected vehemently to their description of the informant as a [redacted] He also indicated to them the responsibility that would be theirs if they jeopardized the informant's life as a retaliatory measure for his refusal to testify.

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This entire matter was discussed with United States Attorney James P. O'Brien by our Chicago Office on March 9, 1962, and he has taken it under advisement. As of March 21, 1962, Mr. O'Brien has not taken an affirmative position in regard to this situation.

On March 20, 1962, our Chicago Office advised Mr. O'Brien [redacted] have been discontinued since he is not fulfilling his agreement to testify which he made at the time of his appearance before the Federal Grand Jury.

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OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Belmont

DATE: March 20, 1962

FROM : A. Rosen

SUBJECT: GERALD COVELLI, AND OTHERS; THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISION OF FELONY

Tolson
Belmont
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Holmes
Gandy

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Ill Penn

This is to advise that [redacted] informant, will in all probability refuse to testify in the trial of this case on [redacted] [redacted] testified before a Federal Grand Jury regarding this matter on [redacted] when he was not an informant, and [redacted] Prior to his grand jury appearance [redacted] Office advised Chicago there was no objection to his testifying since it was not contemplated that he would be reactivated as an informant. When subpoenaed to [redacted] for a pretrial conference, [redacted] told the Assistant United States Attorney (AUSA) on 6/1/61 that he would not testify because [redacted] The AUSA was advised that at that time Agents could not force [redacted] to testify.

Assistant United States Attorney Ill.

Ill

When SA John S. Portella was in Chicago on 3/1/62 in connection with another matter, AUSAs [redacted] discussed [redacted] testimony with him. They insisted that if [redacted] did not testify they would expose [redacted] and subpoena Agents to [redacted] They referred to [redacted] and among other statements, AUSA [redacted] said, "No crook for the FBI is going to make a monkey out of me." If [redacted] refused to testify [redacted] said he would prove to everyone present that [redacted] was a "crook for the FBI" for the express purpose of placing [redacted] The AUSAs were again told that we could not compel [redacted] to testify, and SA Portella strongly objected to the remarks of the AUSAs.

EX - 102

REC- 32

15-38700-186

ACTION TAKEN:

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1. The Chicago Office discussed this matter with United States Attorney (USA) James P. O'Brien who has taken it under advisement. As of 3/19/62 he had not arrived at a position. This matter was, therefore, taken up with [redacted] on the Criminal Division, who contacted Mr. O'Brien on 3/19/62.

Enclosure

*3/9/62

1 - Mr. Evans
1 - Mr. A. B. Fipp

JHG:mc/bm (8)

Sec. Deputy AG 3/22/62

APR 6 1962

P3. PERS. REC. UNIT

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

RECEIVED REC'D ROSEN
GENERAL INVESTIGATIVE FBI
DIVISION

REC'D BELMONT
FBI - JUSTICE

MAR 21 9 53 AM '62

MAR 20 4 28 PM '62

F. B. I.
U.S. DEPT. OF JUSTICE

RECEIVED-DIRECTOR
MAR 20 2 01 PM '62

MAR 20 12 28 PM '62

F. B. I.
DEPT. OF JUSTICE

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MAR 21 10 37 AM '62

RECEIVED COLSON
FBI

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MAR 21 10 41 AM '62

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U.S. DEPT. OF JUSTICE

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FBI - JUSTICE
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MAR 21 12 47 PM '62

F. B. I.
U.S. DEPT. OF JUSTICE

MAR 21 3 52 PM '62

REC'D BELMONT
FBI - JUSTICE

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

MAR 21 4 38 PM '62

F. B. I.
U.S. DEPT. OF JUSTICE

Memorandum to Mr. Belmont
Re: GERALD COVELLI

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Mr. O'Brien advised that a memorandum was being prepared and he will make his recommendation and submit it to the Department within the next day or two and at this point he has not determined what decision he would make. [redacted] stated that he would keep us advised.

2. Attached is a confirmatory letter to the Department furnishing the facts and setting forth the AUSAs' unwarranted characterization of [redacted] as a "crook for the FBI" and their intention of unnecessarily placing [redacted] life in jeopardy as a retaliatory measure if he refuses to testify. [redacted]

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3. In view of the above, the [redacted] Office was instructed to [redacted] pointing out to him that when he testified before the grand jury he voluntarily entered into what might be considered a contract to testify at the trial and in that he is not fulfilling this we [redacted] The Chicago Office was instructed to advise U. S. Attorney O' Brien of the action taken by the [redacted] Office in connection with this matter.

4. We are checking to determine whether there has been any improper handling of this informant.

BACKGROUND OF THE CASE:

This case concerns the theft of a trailerload of whiskey in Chicago on 12/28-30/57. As a result of investigation, Covelli and five other subjects are awaiting trial for violation of the Theft from Interstate Shipment Statute. The jury could not arrive at a verdict when Covelli was originally tried on 1/19/59. We learned that one of the jurors was bribed by payment of $200. As a result of this another trial is also pending involving eleven subjects for violation of the Obstruction of Justice, Bribery and Misprision of Felony Statutes. A change of venue was granted due to the publicity afforded this matter and the trial will be held in Peoria, Illinois, on 3/27/62.

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BACKGROUND OF [redacted]

[redacted] was made an informant of the [redacted] Office on [redacted] discontinued on [redacted] He has been [redacted] amounting to [redacted] which resulted [redacted]

Memorandum to Mr. Belmont
Re: GERALD COVELLI

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In an effort to build a strong case, our Chicago Office told [redacted] on 4/7/60 they desired to use [redacted] testimony. [redacted] replied there was no objection to [redacted] testifying since [redacted] did not contemplate reactivating him as an informant. As a result [redacted] appeared before a Federal Grand Jury on [redacted] testify at the trial. Based upon his grand jury testimony, the AUSAs proceeded with this case and consider [redacted]

[redacted] can testify to [redacted] in this case and can [redacted]

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SA Portella, [redacted] Office, while in Chicago testifying in connection with another Bureau case on 3/1/62, was asked by AUSAs [redacted] and [redacted] to confer with them regarding [redacted] testimony. [redacted] was a Bureau Agent from 11/13/51 until 9/21/54 at which time he voluntarily resigned. He was rated satisfactory.) During this discussion the AUSAs were asked what course of action would be taken if [redacted] were asked on cross-examination. [redacted] They said if [redacted] denied that he was a [redacted] they would ask him on redirect examination to tell the truth and if he refused, they would call Bureau Agents [redacted] They stated that if he refused to answer on cross-examination whether or not he was an informant, they would request a postponement and point out to the judge that [redacted] would be risking his life if he were forced to answer this question.

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AUSA [redacted] further stated that if [redacted] refused to testify on the grounds that [redacted] he would see that [redacted] received the maximum sentence for Contempt of Court. He said, [redacted] is going to make a monkey out of me." He further stated that he would see to it that he proved to everyone present that [redacted] was a [redacted] and he would do this for the express purpose of placing [redacted] stated that [redacted] told him several months ago [redacted] did not recall the date) at a pretrial conference that [redacted] and, as a result, he considers [redacted] Agent of the FBI who has no choice as to whether he would or would not testify for the Government.

Memorandum to Mr. Belmont
Re: GERALD COVELLI

This pretrial conference referred to by [redacted] was held on 6/1/61 between [redacted] and AUSA [redacted] during the course of which [redacted] telephonically contacted SA Portella in [redacted] He told SA Portella that he had [redacted] on an extension and he wanted to discuss the informant's testifying at the trial. While [redacted] was listening, the informant was told that he had to make his own decision regarding testifying. During this call SA Portella stated that informant "exploded" and said he would not testify and was content to continue to [redacted] At this point [redacted] asked SA Portella if [redacted] and SA Portella [redacted] (As of [redacted]

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SA Portella stated he cautioned [redacted] on numerous occasions [redacted] the Bureau. He was told [redacted] however, [redacted]

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During his conference with AUSA [redacted] on 3/1/62, SA Portella strongly objected several times to the AUSA's usage of the words [redacted] He stated individuals such as [redacted] are considered by the Bureau as confidential sources, not employees, and [redacted] He told [redacted] that it was evident he had no idea how the FBI operated nor did he care, otherwise he could never make such remarks. He told [redacted] it would be best for all concerned if he referred to [redacted] as a confidential source or informant rather than [redacted] SA Portella said [redacted] merely laughed when he was told that [redacted] blood would be on his hands if he exposed [redacted] for refusing to testify.

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FD-36 (Rev. 12-13-56)

15
CG
4-27-60

FBI

Date: 3/8/62

Transmit the following in PLAIN TEXT
(Type in plain text or code)

Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO: DIRECTOR, FBI (15-38700)

FROM: SAC, SPRINGFIELD (15-1943) - P -

SUBJECT: GERALD COVELLI; NR
[redacted] FUGITIVE
Etal
TFIS - CONSPIRACY - OBSTRUCTION OF JUSTICE -
BRIBERY - MISPRISON OF FELONY

b6
b7C

OO: CHICAGO

Trial of subjects set by U. S. District Court at Peoria, Illinois, for 3/27/62.

On 3/7/62, AUSA [redacted] from Chicago USA's Office in Peoria conferring with AUSA [redacted] of Peoria concerning trial. [redacted] advised SA [redacted] of this office he is going to contact the Attorney General with a request for a jury panel investigation. This is furnished for information of Bureau, and no request made of this office for such investigation.

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GIBBONS

REC-50 15-38700-187

EX-174

17 MAR 10 1962

2 - Bureau (15-38700)
2 - Springfield (15-1943)
HJM:css
(5)

60 APR 11 1962

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

FBI
U. S. DEPT. OF JUSTICE

APR 6 11 12 AM '62

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

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DIVISION

MAR 10 5 14 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

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MAR 12 10 18 AM '62

F. B. I.
U. S. DEPT. OF JUSTICE

MAR 12 7 48 AM '62

REC'D-CRIMINAL SEC.
F B I

APR 9 1962

4-7-62

PLAIN TEXT

TELETYPE URGENT

TO SAC, CHICAGO (15-12848)

FROM DIRECTOR, FBI (15-38700)

GERALD COVELLI; ET AL, TFIS DASH CONSPIRACY, OBSTRUCTION OF JUSTICE, BRIBERY DASH MISPRISON OF FELONY.

RETEL CALL APRIL SIX, SIXTY TWO BY FINGERPRINT EXAMINER [redacted] PEORIA, ILLINOIS. NO FINGERPRINT RECORD [redacted] LOCATED. [redacted]

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b7C

DEH:jcj

(5)

EX-102

REC-50 15-38700-188

19 APR 9 1962

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
APR 7 1962
TELETYPE

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

273

APR 11 1962

MAIL ROOM ☐ TELETYPE UNIT ☑

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

APR 7 - 5 15 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

PLAIN TEXT 4-8-62

TELETYPE URGENT

TO: SAC, CHICAGO /15-12843/

FROM: DIRECTOR, FBI /15-38700/

GERALD COVELLI., ETAL, TFIS DASH CONSPIRACY., COJ., BRIBERY D

MISPRISON OF FELONY.

REURTEL APRIL SEVEN LAST.

LATENT PRINTS THIS CASE NOT IDENTICAL FINGERPRINTS [redacted]

[redacted] FBI [redacted] b6 b7C

[redacted] NO INKED PALM PRINTS

AVAILABLE.

LCH:prk
(4)

Teletype answer requested.

15-38700-189

REC-72

19 APR 10 1962

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
APR 8 1962
TELETYPE

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

8 APR 11 1962

MAIL ROOM TELETYPE UNIT

REC'D - ROSEN
FBI

APR 9 9 58 AM '62

RECEIVED
GENERAL INVESTIGATIVE

APR 9 3 11 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

APR 9 10 24 AM '62
REC'D-CRIMINAL SEC.
F B I

LETTERHEAD

APR 10 1962

1-36 (Rev. 11-14-57)

FEDERAL BUREAU OF INVESTIGATION
LATENT FINGERPRINT SECTION WORK SHEET

Recorded: 4-9-62 11:00am

Reference No: 15-12848
FBI File No: 15-38700-190
Latent Case No: 14 274

Received: 4-6-62/pns

Answer to: Chicago, FBI

b6
b7C

Examination requested by: Fingerprint Examiner [redacted] from Peoria, ILL.

Copy to:

RE: Gerald Covelli; [redacted] Fugitive; ET AL.; TFIS-Conspiracy; Obstruction of Justice Bribery-Misprision of Felony

Date of reference communication: Telephone call 4-6-62 [redacted] phoned from Peoria, Ill.)

Specimens:

Named - [redacted]

W - 5' 5½" - [redacted]

Non Support

[redacted]

Sutel Results to Chicago on 4-7-62

Result of examination:

Examination by: [redacted]

Evidence noted by:

Name check request 4/6
No record located 4-7
Teletype Dict 4-7 (10:00AM)

Telephone Ans 4 7

223

62 APR 16 1962

Evidence Receipt Form
I-223 (Rev. 9-17-56)

(To be used in lieu of correspondence covering evidence submissions to the L. F. P. S.)

Submitting Agency SAC, Chicago

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b7C

Telephone call from [redacted], Peoria, Ill. Date 4-6-62

Delivered by

Victim GERALD COVELLI; [redacted] FUG.; ET AL; Accepted By [redacted]

Offense TFIS; CONSPIRACY; OBSTRUCTION OF JUSTICE BRIBERY; MISPRISION OF FELONY L. F. P. S. # 14274

Place and date

Suspects Named suspect: [redacted] W, 5'5½" [redacted] nonsupport [redacted]

BRIEF FACTS COVERING CASE

Report to be directed to SAC, Chicago, Sutel

Copies to

Evidence to be returned to

Date of hearing, grand jury, trial or reason why expeditious handling is necessary

EVIDENCE

(THIS SPACE FOR BLOCKING)

EX 100 REC 14

15-38700-190

APR 9 1962

(over)

15-38700-

rec'd LJPB
4-6-62 pm

9
Ct#25
Ch 4/13

FD-36 (Rev. 12-13-56)

FBI

Date: 3/8/62

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL _____
(Priority or Method of Mailing)

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

TO : DIRECTOR, FBI

FROM: SAC, CHICAGO

GERALD COVELLI, Aka.;
Et Al
TFIS; ITSMV

FD 217

On 3/1/62, SA JOHN S. PORTELLA was in Chicago, Illinois, to testify in the case entitled [redacted] Aka.; Et Al, ITSP-CONSPIRACY". AUSA [redacted] advised SA PORTELLA that AUSAs [redacted] desired to discuss the testimony of [redacted] in connection with the COVELLI matter before SA PORTELLA left Chicago.

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On 3/1/62, AUSA [redacted] made available to SA PORTELLA a summary of the testimony expected from [redacted] Both [redacted] stated that [redacted] testimony is [redacted] and that they could see no way to relieve him of the responsibility of testifying. They stated that they intended to [redacted]

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Both AUSA [redacted] were asked what course of action they would follow if [redacted] agreed to testify to [redacted] They stated that if [redacted] denied that he was in their words, [redacted] they would have to, on redirect examination, request

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3 - Bureau
1 - Chicago

REC-25 15-38700-191

MBH:DAR
(4)

17 MAR 10 1962

APR 6 1962

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

57 APR 11 1962

137-37555

UNRECORDED COPY FILED IN

Ret. Error - 4/9 Km

Ret 4/5 pd

APR 6 1962

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

MAR 12 10 13 AM '62

F. B. I.
U. S. DEPT. OF JUSTICE

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

MAR 10 12 16 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

MAR 12 7 48 AM '62

REC'D-CRIMINAL SEC.
F B I

[redacted] to tell the truth; [redacted] and if he refused to do this, they would then have to call Special Agents of the FBI [redacted] stated that he would have to do this because [redacted] denial would constitute perjury and they would endanger the chances of successful prosecution of the COVELLI matter.

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[redacted] was asked what course of action he would follow if [redacted] refused to answer on cross examination whether [redacted] In this case, [redacted] said, he would ask for a postponement or an adjournment and he would discuss the entire matter with the Judge in the Judge's chambers. He said he would point out to the Judge that if [redacted] was forced by the court to admit his association with the FBI, he would be, in fact, risking his life. [redacted] stated that if the Judge ruled that [redacted] did not have to answer the question, there would be no further problem.

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[redacted] were asked what course they would follow if [redacted] took the stand and refused to testify on the [redacted] stated that he would ask the Judge to direct [redacted] to testify and if he refused, he would see to it that [redacted] received the maximum sentence for contempt of court. [redacted] further stated, [redacted] was going to make a monkey out of him", and he would see to it that he would prove to everyone present that [redacted] was "a crook for the FBI" and he would do this with the express purpose of placing [redacted] SA PORTELLA asked [redacted] how this course of action would help the COVELLI case and he replied that it would not but it would teach a bum like [redacted] that he could not interfere with his plans to successfully prosecute a case that he has worked on diligently for the past three years.

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It was pointed out to AUSAs [redacted] that [redacted] in addition [redacted] the COVELLI case in Chicago, has supplied information regarding other cases in other cities and as a result of this information, [redacted] It was pointed out to [redacted] that some of

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the people that [redacted] has involved are from the [redacted] area and the [redacted] area, and if either of these groups had any suspicions that [redacted] was associated with the FBI they too would attempt to take his life.

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[redacted] stated that he was aware that [redacted] is [redacted] He stated that he learned this fact from [redacted] when [redacted] was in [redacted] for pre-trial conferences several months ago. [redacted] stated that SAs [redacted] and [redacted] of the Chicago Office did not deny this fact and he assumed that their silence indicated that [redacted] stated that because of this, [redacted] who had no choice on whether or not he testified for the Government. SA PORTELLA explained to AUSA [redacted] that [redacted] is considered a confidential source of the FBI and SA PORTELLA objected to his use of the words [redacted] It was further explained to [redacted] that confidential sources used by the FBI are instructed or advised that they would never be asked to testify in open court unless the case was of national importance involving the internal security of the United States and even in these instances, the final decision as to whether or not they would testify would be theirs to make in accordance with their own conscience. [redacted] was further told that the FBI has never placed the successful prosecution of a case above the life of any person.

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SA PORTELLA advised AUSA [redacted] that he would do everything possible to present his desires and wishes to [redacted] in the best possible light, but SA PORTELLA was not in any way going to attempt to influence [redacted] one way or another relative to testifying in the COVELLI matter.

[redacted] stated that a change of venue has been granted in the COVELLI case and trial in the matter will begin in Federal District Court in Peoria, Illinois, on or about 3/27/62, and it was his plan and intention to subpoena SA PORTELLA for this trial in order that SA PORTELLA would be present to handle any problem that might arise during the testimony of [redacted]

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SA PORTELLA has advised he has seen the informant since he returned to [redacted] and the informant states [redacted]

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The above matter is being brought to the attention of USA O'BRIEN.

Bureau may desire to bring the matter to the attention of the Department.

GALE

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
APR 7 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

b6
b7C

URGENT 4-7-62 4-36 PM CST EAH

TO DIRECTOR, FBI /15-38700/

FROM SAC, CHICAGO /15-12848/ 1P

GERALD COVELLI., ETAL, TFIS DASH CONSPIRACY., OOJ., BRIBERY DASH MISPRISON OF FELONY.

REURTEL THIS DATE.

YOUR TEL REFLECTS NO RECORD OF [redacted] THE DESIRED PRINTS WERE THOSE OF [redacted] SUTEL IF ANY RECORD OF [redacted] END AND ACK PLS.

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WA 5-37 PM OK FBI WA NH

TU DISC

EX-102

REC-27

15-38700-192

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APR 9 1962

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RECEIVED
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APR 9 10 03 AM '62

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U.S. DEPT. OF JUSTICE

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INVESTIGATIVE
DIVISION

APR 7 6 11 PM '62

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U.S. DEPT. OF JUSTICE

REC'D-TELETYPE UNIT
F B I

APR 7 5 37 PM '62

APR 9 7 44 AM '62
REC'D-CRIMINAL SEC.
F B I

LETTERS

REC'D-TELETYPE UNIT
F B I

APR 7 5 37 PM '62

APR 11 1962

ESPIONAGE

FD-36 (Rev. 12-13-56)

FBI

Date: 4/3/62

Transmit the following in _____ (Type in plain text or code)

Via AIRTEL _____ (Priority or Method of Mailing)

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

TO : DIRECTOR, FBI (15-38700)

FROM: SAC, CHICAGO (15-12848) ATTN: Assistant Director A. ROSEN

GERALD COVELLI, et al
TFIS; OOJ; BRIBERY; MISPRISION OF A FELONY

In connection with the trial of this case taking place in [redacted] this is to advise that on [redacted] a witness for the Government, [redacted] took the witness stand. After he finished his direct testimony late in the afternoon the defense counsel made a request for all statements made by [redacted] to Government agents under the Jencks decision. The Government entered two statements pertinent to this trial that have been furnished by [redacted] Defense attorney [redacted] who was defense counsel in the previous trial wherein [redacted] was a Government witness in connection with an [redacted] requested the Government to furnish all statements given by [redacted] inasmuch as he had a recollection of additional numerous statements given by [redacted] in the [redacted] case. The court ordered the Government to produce all statements given by [redacted]

At the same time the court instructed the U.S. Attorney to contact SA O'CONNOR, who had handled this case in Houston. The U. S. Attorney requested SA [redacted] of the Chicago office, who was sitting at counsel table, to locate SA O'CONNOR and obtain this information as directed by the court. SA [redacted] ascertained from SA STADTMILLER, who was in on subpoena in this case from the Miami office, that SA O'CONNOR was presently assigned to Miami. He thereafter attempted to telephonically contact SA O'CONNOR, who called back and advised that there were signed statements given by [redacted] in the [redacted] case. AUSA [redacted] then requested

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b6
b7C

(3) - Bureau (AMSD)
1 - Chicago
JLH:LMS (4)

REC-28 15-38700-193

APR 9 1962

Approved: James H. Gale
Special Agent in Charge

Sent _____ M Per _____

cc - Gamble

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DIVISION

APR 9 9 51 AM '62

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U. S. DEPT. OF JUSTICE

RECEIVED
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DIVISION

APR 4 9 39 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

4

Director, FBI

through SA [redacted] that SA O'CONNOR fly to Houston, pick up these statements and bring them to Chicago. b6 b7C

When this matter was called to the attention of the Chicago office ASAC [redacted] telephonically contacted Miami and instructed that SA O'CONNOR proceed to Chicago and that we were in telephonic contact with Houston, who would send the statements involved Air Mail Special Delivery Registered. SA O'CONNOR arrived pursuant to the request of the court and these statements were forwarded from Houston.

On ~~March 21~~ APRIL 2, 1962, AUSA [redacted] inquired if there were any more statements made by [redacted] SA O'CONNOR advised that all of the signed statements made by [redacted] were here. AUSA [redacted] at this time, indicated that he meant any kind of a statement which was made by [redacted] signed or unsigned. SA O'CONNOR then advised AUSA [redacted] that to the best of his recollection, there were some additional memoranda and FD-302s in the files that pertained to [redacted] requested these statements also, and accordingly a telephone call was made to Houston requesting that they immediately forward the requested statements to Chicago. b6 b7C

On the morning of 4/3/62, AUSA [redacted] received from Defense Counsel [redacted] material [redacted] apparently had in his notes from the Houston trial and described the material pertaining to [redacted] as follows: b6 b7C

69 pages, no date, no description (SA O'CONNOR believes this might be a notebook of AUSA [redacted] who tried the case in Houston with information from various FBI reports.
6 pages dated 8/27/59
16 pages dated 8/27/59
15 pages dated 7/6/59
30 pages dated 6/3/59

b6 b7C

Director, FBI

53 pages dated 11/5/59
24 pages, no date, however, notation indicates either 6/8/59 or 11/5/50 or date unknown
5 pages dated 7/6/59
20 pages dated 7/29/59
6 pages dated 7/29/59
30 pages dated 11/5/59
5 pages dated 10/27/59
32 pages dated 11/5/59
22 pages dated 6/17/59

From the description of the above material it is, of course, not known which of these pages refers to the eight signed statements, two of which have already been given to the court and the other six which have been sent by Houston for production to the court, or whether or not it is exlusive of these.

It was ascertained from SA O'CONNOR that knowledge of all ramification of material referred to by Defense Counsel [redacted] would only be known to former AUSA [redacted] O'CONNOR pointed out that during the Houston trial in 1959, former AUSA [redacted] had various sheets of his notes which were tendered and loose leaf notebooks consisting of copies of statements, FD-302s and SF-64s which he had extracted from Bureau reports and segregated as to Government witnesses to assist in his trial preparation. For example, one of the documents from [redacted] would have been described as a Government tender consisting of 70 pages whereas it actually represented numerous FD-302s which were tendered by the Government.

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SA O'CONNOR advised that he would have had no idea as to the data referred to by [redacted] and that the only person who would know this would be [redacted]

Director, FBI

AUSA [redacted] advised SA [redacted] that he had been in contact with [redacted] and [redacted] told him that he, [redacted] had turned certain material over to the FBI from the USA's file in Houston and that this material was to be transmitted to the Chicago FBI Office by the Houston FBI Office. b6 b7C

Houston advised telephonically on 4/3/62 that the USA's Office in Houston had been in touch with them and they could not obtain what the USA, Chicago wanted and they had sent a teletype asking the USA, Chicago to clarify the material he desired.

Houston subsequently advised that [redacted] had discussed this matter with the USA, Houston and because the two of them could not decide what material AUSA, [redacted] wanted, they are sending up their entire file for [redacted] perusal. AUSA [redacted] indicated displeasure over the fact that SA O'CONNOR had not gone to Chicago via Houston as he requested. He advised that if he had done this, there would have been no delay in getting the documents to the trial. In this regard, it will be noted that the Judge has given the Government until tomorrow morning to produce these documents and arrangements have been made so that [redacted] will have all documents in the entire case tonight. b6 b7C

The ridiculousness of AUSA [redacted] statement is obvious inasmuch as former AUSA [redacted] and the USA at Houston cannot comprehend his request and have, therefore sent their entire file. Mr. O'CONNOR advised that if he had gone to Houston, he would not have been able to obtain the desired data any more than [redacted] could because of the nebulous nature of the request and the complex manner in which [redacted] had prepared the exhibits including the FD-302s and SE-64s. b6 b7C

It is our understanding that [redacted] had discussed the matter of the statements of [redacted] with [redacted] of the Department. b6 b7C

Director, FBI

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b7C

On April 3, 1962, AUSA [redacted] telephonically contacted me from Peoria and expressed concern that the material that he requested from Houston had not yet arrived. He indicated to me that if his original instructions for an agent to proceed to Houston from Miami had been honored, he would not be having this difficulty. I emphatically advised [redacted] that there were several points on this case about which he was obviously confused. I informed him that number one, [redacted] had not turned over any material to the FBI in Houston as he had previously indicated and that we had no material whatsoever concerning this case from [redacted] Number two, I advised him that [redacted] who was the former Assistant United States Attorney most familiar with this case, had analyzed the nebulous request which he had made for all statements coupled with the description furnished by Attorney [redacted] and that [redacted] and the USA in Houston could not decide what he wanted and that, therefore, they were sending up their entire file to Chicago. I pointed out to him that this matter was not just a cut and dry situation of picking up several statements but that the memoranda pertaining to oral statements had been so intertwined with notes made out by [redacted] that it would have been absolutely impossible for O'CONNOR to have merely stopped by in Houston and picked up this material. I again reiterated very definitely that if [redacted] could not make head or tail of his request, obviously no one else could either.

I informed him very definitely that the FBI was desirous of cooperating with him and we had extended complete cooperation in this matter to the point of going to a great deal of trouble and making a considerable number of telephone calls to Houston in order to attempt to straighten out the confusion which he had created, which was still existent.

I informed him that we were continuing to cooperate in this matter fully realizing the importance of this trial and that we were having our Houston Office put all documents in this matter, both from the USA's Office and from our office, on an airplane today and that they would be in plenty of time

for court tomorrow in order to meet the Judge's request.

I informed him that while we were going to cooperate to the utmost we certainly were not going to permit him to order our agents from one city to another in order to go on a mission which in light of even [redacted] inability to come up with the desired information, would have been fruitless. I advised him that we would honor any reasonable request which he made but we certainly were not going to permit him to run the FBI or tell us how we were going to run our own operations. I told him that there was a distinct line of demarcation separating the responsibilities and authority of both the USA's Office and the FBI and that he obviously had crossed this line of demarcation when he attempted to tell us that we were to get certain documents from Houston by having an agent go from Miami to pick them up.

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I again reiterated to him the fact that even [redacted] was unable to comply with his nebulous request. I pointed out that they were obviously trying to blame the FBI for their own state of confusion in this matter. I advised him his criticism of the FBI was completely unjustified and that he was all too quick to make inferences without being in possession of all the facts and for his own failure to make understandable requests for the material he desired. He then made some feeble comment to the effect that he was appreciative of the fact that all material was coming in tonight and would be available for court tomorrow.

The Chicago Office also desires to point out that prior to the commencement of this trial in Peoria, AUSAs [redacted] who are handling this case, made a request that a Bureau vehicle be available to them during the period of the trial in Peoria. [redacted] were advised that this office could not and would not make available to them any Bureau vehicle for the duration of the trial in Peoria. They were advised that if they had any official need for a car during the course of the trial, the car belonging to the Resident Agent at Peoria could be so utilized. It is our

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definite feeling [redacted] expected agents of this office to chauffeur them around Peoria, even possibly after court hours for dinner, etc. Obviously we were not going to permit the use of official vehicles for such a purpose. [redacted] appeared to be miffed by this decision as indicative by the lack of cooperation on the part of the FBI.

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As the Bureau will recall, [redacted] made some irresponsible statements pertaining to informant [redacted] to SA JOHN PORTELLA of the [redacted] Office, the account of which was forwarded to the Bureau and which shocked USA O'BRIEN when they were called to his attention. It is understood that [redacted] have felt very bitter that the account of this interview with PORTELLA was called to the attention of the Bureau and the Department.

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It will also be recalled that there have been instances since this trial started where it has been necessary upon Bureau instructions to contact USA O'BRIEN personally relative to the reprehensible conduct of [redacted]

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The Bureau will recall it had to do with their requesting the [redacted] and reports pertaining to [redacted] in spite of the fact that USA O'BRIEN stated that these records were not to be supplied until he personally made the request and until the AUSAs had talked to [redacted] upon his arrival [redacted] Secondly, while interviewing SA PORTELLA in Peoria they called in a court reporter to record the conversation. They did this only when PORTELLA was being interviewed. This matter was called to the attention of O'BRIEN also with a strenuous objection to such conduct by the FBI in Chicago and the Bureau. O'BRIEN at this time termed the actions of [redacted] reprehensible.

We will continue to extend every cooperation possible to [redacted] in connection with this

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trial but we will of course be most circumspect in our dealings with them and will not tolerate their attempts to run the FBI or blame the FBI for their own lack of coordinated purpose.

GALE

N/A 10 3C/P
4/6/62

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
APR 6 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 4-6-62 8-28 PM JEG

TO DIRECTOR FBI 15-38700

FROM SAC CHICAGO 15-12848

GERALD COVELLI, ET AL, TFIS DASH CONSPIRACY, OOJ., BRIBERY., MISPRISION OF FELONY.

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RE TEL FOUR FIVE LAST.

TRIAL RESUMED FOUR SIX INSTANT. COVELLI UNDER CROSS EXAMINATION ENTIRE DAY. COURT RECESSED TO AM OF FOUR TEN NEXT. AUSA ADVISED STATUS OF [redacted] NOT DETERMINED AT THIS TIME, SAME CONTINGENT UPON FURTHER CROSS EXAMINATION OF COVELLI. TRIAL AJOURNED UNTIL TUESDAY NEXT.

END AND ACK PLS

H O L D

9-31 PM OK FBI WA WS

EX.-102
REC-27

15-38700-194

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50 APR 12 1962

10 APR 9 1962

RECEIVED
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DIVISION

APR 6 10 02 PM '62

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U. S. DEPT. OF JUSTICE

REC'D-TELETYPE UNIT
F B I

APR 6 9 32 PM '62

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAR 24 1962

TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

Registered letter has arrived - Register # 714650 Bain Hill room 7712 for [redacted] if receipts needed obtain name. 4PM 3/24/62

URGENT 3-24-62 1-49 PM JMB

TO - DIRECTOR, FBI /15-38700/

ROUTE IMMEDIATELY TO [redacted]

FROM - SAC, [redacted] /47-2584/ 1-P

GERALD COVELLI, [redacted], DASH FUG., ET AL

TFIS DASH CONSPIRACY, OOJ, BRIBERY, MISPRISON OF FELONY.

REPGTEL, MAR. TWENTYTHREE AND TELCON TO [redacted] MAR. TWENTY FOUR INSTANT.

RECEIPTS FOR LAST TWO ITEMS IN RETEL, TWO FIFTY DOLLAR ITEMS DATED MAR. SIXTEEN LAST, WERE SUBMITTED TO BUREAU, MAR. TWENTYTHREE IN VOUCHER DATED MAR. TWENTYTHREE IN NAME OF [redacted] IN AMOUNT OF TWO HUNDRED FIFTYTHREE DOLLARS AND FIVE CENTS AS ITEM NO. SIX.

END AND ACK PLS

1-50 PM OK FBI WA DA

RETUNDISC

EX. - 102
REC- 27
15-38700-195
9 APR 6 1962

FLG/SUP.

CC: Mr. Rosen and Mr. Evans

50 APR 12 1962

Called [redacted] at home 1:55 PM.

3-JSV

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FBI
U.S. DEPT. OF JUSTICE
APR 6 2 44 PM '62

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

REC'D-TELETYPE UNIT
F B I
MAR 24 1 50 PM '62

F B I
VOUCHER & STATISTICAL SEC
APR 6 8 37 AM '62
U.S. DEPT. OF JUSTICE

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
MAR 24 3 13 PM '62
F.B.I.
U.S. DEPT. OF JUSTICE

[redacted]

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b7C
b7D

[redacted]

b7D

FD-36 (Rev. 12-13-56)

FBI

Date: 4/4/62

Transmit the following in _____ (Type in plain text or code)

Via AIRTEL _____ (Priority or Method of Mailing)

TO : DIRECTOR, FBI (15-38700)

FROM: SAC, CHICAGO (15-12848) ATTN: ASSISTANT DIRECTOR A. ROSEN

GERALD COVELLI, et al
TFIS; OOJ; BRIBERY;
MISPRISION OF A FELONY

Remyairtel 4/3/62.

For the information of the Bureau, it is advised that at approximately 9:45 PM, 4/3/62, the files and documents received from the Houston office, which contained the files from the USA's office as well as from the FBI office, were brought to AUSAs [redacted] Four Bureau agents, together with [redacted] reviewed the material in these files until approximately 1:00 AM, 4/4/62. b6 b7C

A review of these files was made in an effort to attempt to identify the statements pertaining to the testimony of [redacted] in the ITSMV case in Houston which were requested by the court under the Jencks decision. b7D

During the course of this review fortunately there was found in the records of the USA's office, Houston, a list of 58 exhibits which had been tended by the Government in the ITSMV case in Houston. Although some of the notations were not sufficient to enable them to identify the material involved, nevertheless they were able to identify 36 items that had been tended by the Government in the ITSMV case in Houston out of the 58. Six of the items, however, were signed statements which were already in the possession of the USA having been sent by the Houston office. Of the 36 exhibits identified it is believed that the 14 items submitted by defense counsel [redacted] to AUSA [redacted] were identified. These 14 exhibits were reviewed by AUSA [redacted] on the morning of 4/4/62 following

15-38700-196

(3) - Bureau
1 - Chicago
JLH:LMS
(4)

REC-28

U.U. WICR

APR 11 1962

17 APR 6 1962

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Approved: _____ Special Agent in Charge

Sent _____ M Per _____

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b7C

which he proceeded to turn over to Judge MERCER for examination incamera 13 of these exhibits. It is known that AUSA [redacted] withheld at least one document which he said was not pertinent.

On the afternoon of 4/4/62, after completing the review of this material incamera, Judge MERCER ruled that he would not turn over any of these documents to the defense as they were not pertinent to the issues on trial.

It would appear of significance that in the conversation with SAC GALE on 4/3/62 AUSA [redacted] was complaining about the fact that SA O'CONNOR did not go from Miami to Houston to pick up this material. It is obvious beyond question in the light of all events that have transpired in this particular matter that SA O'CONNOR could not possibly have picked up the material in Houston because, as stated previously, part of the material was in the files of the USA's office, part in the files of the FBI office, and AUSAs [redacted] did not know what they wanted or what they needed. Instead of inquiring, if need be through the court, of defense counsel [redacted] concerning the specific items that he had in mind from the ITSMV case in Houston AUSA [redacted] did not obtain this information from [redacted] until Monday, 4/2/62. These notations were helpful in identifying the material needed for presentation to the court, and if obtained immediately would have facilitated our efforts in attempting to find the desired material.

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SA O'CONNOR stated that he could not have possibly located the material desired by the USA regardless of any search made by him. SA O'CONNOR, who handled the ITSMV case in Houston, has advised strictly from recollection that some of the items which were introduced as exhibits in the ITSMV case do not appear to be in the records submitted by the USA's office in Houston and may not even currently be in existence.

The above is submitted for the information of the Bureau to once again indicate to the Bureau the manner in which AUSAs [redacted] run in all directions without

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aim or purpose to exercise an attitude of demanding without knowing specifically what they want instead of one of co-operativeness, and to be critical too fast before all the facts are known and without any justification whatsoever.

GALE

OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

Memorandum

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

TO : Mr. Rosen

DATE: April 9, 1962

FROM : J. R. Malley

SUBJECT: GERALD COVELLI, ET AL.;
THEFT FROM INTERSTATE SHIPMENT -
CONSPIRACY; OBSTRUCTION OF JUSTICE;
BRIBERY; MISPRISION OF A FELONY

ASAC [redacted] Chicago, telephonically advised a request had been made by the Assistant U. S. Attorney handling the captioned case for the Bureau to serve subpoenas on the following individuals: [redacted]

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b7C
b3

[redacted] indicated that the U. S. Attorney's Office was not certain they would want these three to testify but they did desire to get them under subpoena immediately in the event this became necessary. He stated that [redacted] had previously testified, and there was some indication the defense intended to attempt to discredit their information. For that reason they may be recalled to the stand.

JRM:jh
(5)

EX 100

REC-25

15-38700-197

U.S. DEPT. OF JUSTICE

11 APR 10 1962

273 FY60

53 APR 13 1962

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GENERAL INVESTIGATIVE
DIVISION

APR 9 3 14 PM '67

F. B. I.
U. S. DEPT. OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
APR 11 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 4-10-62 11-21 PM RAM

TO DIRECTOR, FBI /15-38700/

FROM SAC, CHICAGO /15-12848/ 2P

GERALD COVELLI, ET AL, TFIS DASH CONSPIRACY, OBSTRUCTION OF JUSTICE, BRIBERY, MISPRISION OF FELONY.

b6
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REMYTEL APRIL SIX, LAST.

TRIAL RESUMED USDC, PEORIA, ILLINOIS, APRIL TEN, INSTANT, WITH COVELLI CROSS EXAMINATION BY DEFENSE ATTORNEYS. DEFENSE IN AN EFFORT TO IMPEACH COVELLI TESTIMONY READ ALLEGED CONVERSATION HE HAD WITH ONE [redacted] SAID CONVERSATION ALLEGED THAT COVELLI TOLD [redacted] GOVERNMENT HAS QUOTE THE WRONG GUYS UNQUOTE. DEFENSE INDICATED [redacted] WILL BE USED AS A DEFENSE WITNESS.

FBI FILES REFLECT [redacted] CASE AND [redacted]

KANSAS CITY CONDUCTING EXPEDITE INVESTIGATION REGARDING BACKGROUND INFORMATION ON [redacted] WHILE HE WAS [redacted]

15-38700-198

REC-44

11 APR 11 1962

273

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57 APR 17 1962

cc - Gamble

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GENERAL INVESTIGATIVE
DIVISION

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U.S. DEPT. OF JUSTICE

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DEFENSE ATTORNEY [redacted] ELICITED FROM COVELLI CONVERSATION WHICH COVELLI HAD WITH DEFENDANT [redacted] SAID CONVERSATION TAKING PLACE AT USA- S OFFICE, [redacted] DEFENDANT [redacted] WAS ALLEGED TO CORROBORATE CERTAIN PORTIONS OF COVELLI- S TESTIMONY. [redacted] THIS DATE AND HIS STATUS IS UNCHANGED.

TIME SHD BE 11-21 PM

END AND ACK PLS

WA ½W12-27 AM OK FBI WA HFL

TU DISCO

REC'D-TELETYPE UNIT
F B I

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APR 11 8 03 AM '62

REC'D-CRIMINAL SEC.
F B I

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U.S. DEPT. OF JUSTICE

6 (Rev. 12-13-56)

FBI

Date: 3/13/62

Transmit the following in [redacted]
(Type in plain text or code)

Via [redacted]
(Priority or Method of Mailing)

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

TO: DIRECTOR, FBI (15-38700)

FROM: SAC, [redacted] (47-2584)

RE: GERALD COVELLI; [redacted] - FUG., ET AL;
TFIS - CONSPIRACY; OOJ; BRIBERY; MISPRISION OF FELONY
(Chicago Origin)

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In accordance with info furnished by the Chicago Office and pursuant to telephone call from [redacted] Criminal Division, 3/13/62 attached herewith is a memorandum of SA JOHN S. PORTELLA, 3/13/62, setting forth in detail the results of his interviews with AUSAs [redacted] and [redacted] of Chicago, Ill.

SA PORTELLA on 3/7/62 had occasion to contact [redacted] and the COVELLI matter was briefly discussed. Informant, at that time, stated that he had not made up his mind just how he was going to testify in the COVELLI matter, but in all probability he would [redacted]

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It is suggested that the Bureau may desire to bring the contents of the attached memorandum to the attention of the Department in an effort to obtain a ruling on how SAs in Chicago and [redacted] should respond concerning [redacted] status as a confidential informant in the event they are subpoenaed to appear in Federal Court for the express purpose of exposing [redacted] as an informant in open court under any of the situations outlined in the attached memorandum.

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It is submitted that if SAs are forced to expose an informant, as in this case, this policy will sound the death knell for the Bureau's informant program inasmuch as practically all confidential informants willingly furnish info to agents because they know that the chances are very slim that they will ever have to testify in open court.

It is noted that this matter is scheduled for trial in Peoria, Ill., commencing 3/22/62.

4-ENCLOSURE

REC-12 15-38700-196

3-Bureau (Encls. 4)
2-Chicago (15-12848) (Encls. 2)
2-[redacted]

APR 3 1962

XEROX
APR 11 1962

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JSP/jw

Approved: Sent M Per
Special Agent in Charge

Wick
EVANS

FUGITIVE

APR 11 1962

3/14/62
MJS

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GENERAL INVESTIGATIVE
DIVISION

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APR 6 8 59 PM '62

MAR 14 12 56 AM '62

APR 5 8 09 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

F. B. I.
U. S. DEPT. OF JUSTICE

MAR 14 7 37 AM '62

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F B I

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APR 9 10 20 AM '62
F. B. I.
U. S. DEPT. OF JUSTICE

SAC, [redacted] 3/13/62

SA JOHN S. PORTELLA

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GERALD COVELLI;
[redacted]
FUGITIVE; ETAL
TFIS - CONSPIRACY; OOJ;
BRIBERY; MISPRISION OF FELONY
(OO: CHICAGO)

On 2/27/62 SA JOHN S. PORTELLA was in Chicago, Illinois, to testify in the case entitled, [redacted] aka; ETAL, ITSP-CONSPIRACY." AUSA [redacted] of Chicago, on 2/28/62, advised SA JOHN S. PORTELLA that AUSAs [redacted] desired to discuss the probable testimony of [redacted] in connection with the COVELLI matter before SA PORTELLA left Chicago.

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ILL.

CONFIDENTIAL INFORMANT

On 2/28/62 SA JOHN S. PORTELLA discussed the [redacted] matter with AUSA [redacted] and he expressed the same beliefs and opinions that AUSA [redacted] expressed on 3/1/62. During the 3/1/62 interview of [redacted] was in and out of [redacted] office and not always present.

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On 3/1/62 AUSA [redacted] made available to SA PORTELLA a summary of the testimony he expected from [redacted] Both [redacted] and [redacted] stated that [redacted] testimony is [redacted] and they could see no way to relieve him of the responsibility of testifying. They stated that they intended to use his testimony [redacted]

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Both AUSAs [redacted] were asked what course of action they would follow if [redacted] agreed to testify to exactly the [redacted]

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1- [redacted]
1- 47-2584

JSP/JW
(3)

XEROX
APR 11 1962

15-38700-179
ENCLOSURE

They stated that if [redacted] denied that he was, in their words, [redacted] they would have to, on redirect examination, request [redacted] to tell the truth, that is to admit that [redacted] and if he refused to do this, they would then have to call SAs of the FBI [redacted] stated that he would have to do this because [redacted] denial would constitute perjury and would endanger the chances of successful prosecution of the COVELLI matter.

[redacted] was asked what course of action he would follow if [redacted] refused to answer on cross examination whether or not [redacted] In this case, [redacted] said, he would ask for a postponement or an adjournment and he would discuss the entire matter with the Judge in the Judge's chambers. He said he would point out to the Judge that if [redacted] was forced by the court to admit his association with the FBI, he would be in fact risking his life. [redacted] stated that if the Judge ruled that [redacted] did not have to answer the question, there would be no further problem.

[redacted] were asked what course they would follow if [redacted] took the stand and refused to testify on the grounds [redacted] stated that he would ask the Judge to direct [redacted] to testify and if he refused, he would see to it that [redacted] received the maximum sentence for contempt of court. [redacted] further stated, [redacted] was going to make a monkey out of me" and he would see to it that he would prove to everyone present that [redacted] was [redacted] and he would do this with the express purpose of placing [redacted] SA PONTELLA asked [redacted] how this course of action would help the COVELLI case and he replied that it would not but it would teach "a bum like [redacted] that he could not interfere with his plans to successfully prosecute a case that he has worked on diligently for the past three years.

AUSA [redacted] pointed out to SA PONTELLA that he first learned about [redacted] while he was interviewing [redacted] in regards to another matter and he pointed out that the [redacted] case is one that he,

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[redacted] has solved and he considers it more his case than the FBI's case. SA PORTELLA pointed out to AUSA [redacted] that [redacted] some time in early 1953, insisted that the FBI should know about [redacted] and while in Chicago [redacted] the Chicago Office with information that led to the [redacted]

[redacted] files show that [redacted] left [redacted] on 3/4/53 and on 3/7/53 informant had obtained information concerning [redacted]

It was pointed out to AUSAs [redacted] that [redacted] in [redacted] have been recovered and arrests have been made. It was pointed out to [redacted] that some of the people that [redacted] has involved are from the [redacted] area and the [redacted] area and if either of these groups had any suspicions that [redacted] was associated with the FBI, they, too, would in all probability attempt to take his life.

[redacted] stated that he was aware that [redacted] is a [redacted] He stated that he learned this fact from [redacted] when [redacted] was in [redacted] for pre-trial conferences several months ago. [redacted] stated that SAs [redacted] of the Chicago Office did not deny this fact and he assumed that their silence indicated that [redacted] stated that because of this, he considered [redacted] he had no choice on whether or not he testified for the Government. SA PORTELLA explained to AUSA [redacted] that [redacted] is considered a confidential source of the FBI and SA PORTELLA objected to his use of the words [redacted] It was further explained to [redacted] that confidential sources used by the FBI are instructed or advised that they would never be asked to testify in open court unless the case was one of national importance involving the internal security of the United States and even in those instances, the final decision as to whether or not they would testify would be theirs to make in accordance with their own conscience. [redacted] was further told that the FBI has never placed the successful prosecution of a case above the life of any person.

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SA PONTELLA advised AUSA [redacted] that he would do everything possible to present his desires and wishes to [redacted] in the best possible light, but SA PONTELLA was not in any way going to attempt to influence [redacted] one way or another relative to testifying in the COVELLI matter.

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[redacted] stated that a change of venue has been granted in the COVELLI case and trial in the matter will begin in Federal District Court in Peoria, Illinois, on or about 3/22/62 and it was his plan and intention to subpoena SA PONTELLA for this trial in order that SA PONTELLA would be present to handle any problem that might arise during the testimony of [redacted]

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This matter is being brought to your attention with the thought in mind that you might desire to call this matter to the attention of the Bureau and the Department of Justice, asking them to advise how SAs of the Chicago and the [redacted] Offices should respond in the event they are called on [redacted] to expose [redacted] according to the designs of AUSA [redacted]

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FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
APR 11 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 4-11-62 8-08 PM JEG

TO DIRECTOR FBI 15-38700

FROM SAC CHICAGO 15-12848

GERALD COVELLI., ET AL., TFIS DASH CONSPIRACY., OOJ., BRIBERY., MISPRISION OF FELONY.

REMYTEL, APRIL TEN, LAST.

TRIAL RESUMED USDC, PEORIA, ILLINOIS, APRIL ELEVEN, INSTANT. COVELLI TESTIFIED TO REDIRECT AND RECROSS EXAMINATION.

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DEPUTY USM TESTIFIED AS TO FINGERPRINTING [redacted] FBI AGENTS AND BUREAU FINGERPRINT EXAMINER [redacted] INTRODUCED EVIDENCE CONTAINING LATENT FINGERPRINTS OF [redacted] ON SUNNYBROOK WHISKEY BOTTLES FROM SILVER DOME. BUREAU AGENT TESTIFIED AS TO INTERVIEW OF DEFENDANT [redacted] [redacted] STATUS UNCHANGED.

REC 48 15-38700-200
13 APR 13 1962

~~E CORRECTIONS L 7 W 7 SLD BE "CONTAINING" LAST LINE LAST WORKD~~

SLD BE /UNCHANGED/

END ACK AND HOLD PLS

9-12 PM OK FBI WASH MLL

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53 APR 17 1962

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DIVISION

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U.S. DEPT. OF JUSTICE

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APR 11 9 13 PM '62

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APR 12 7 44 AM '62

REC'D-CRIMINAL SEC.
FBI

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DIVISION

APR 12 9 49 AM '62

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U.S. DEPT. OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
APR 13 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 4-13-62 EAPP AM TN

TO DIRECTOR, FBI /15-38700/

FROM SAC CHICAGO /15-12848/

GERALD COVELLI ET AL. TFIS DASH CONSPIRACY. OOJ. BRIBERY. MISPRISION OF FELONY.

REMYTEL, APRIL ELEVEN, LAST.

TRIAL RESUMED, USDC, PEORIA, ILLINOIS, APRIL TWELVE, INSTANT. BUREAU AGENTS TESTIFIED, FOLLOWED BY BLUE CROSS REPRESENTATIVE AND DOCTOR ON RECORDS PERTAINING TO DEFENDENT ALLEGRETTI. GOVERNMENT MOVED FOR ADMISSION AS EVIDENCE ALL TESTIMONY AND PHYSICAL EVIDENCE, WHICH WAS UPHELD OVER DEFENSE MOTIONS. GOVERNMENT RESTED ITS CASE.

DEFENSE HAS STATED THEY WILL APPROACH COURT, APRIL THIRTEEN, NEXT, WITH VARIOUS WRITTEN MOTIONS, INCLUDING MOTIONS FOR ACQUITTAL FOR THEIR RESPECTIVE CLIENTS.

[redacted] NOT USED AND DOUBTFUL HE WILL BE USED IN REBUTTAL.

[redacted] NEXT AND BE ON STANDBY BASIS.

END ACK AND HOLD PLS

4-03 AM OK FBI WA HFL

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EX-105

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26 APR 19 1962

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U. S. DEPT. OF JUSTICE

APR 13 7 38 AM '62

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F B I

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APR 13 11 56 AM '62

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U. S. DEPT. OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
APR 14 1962

TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 4-14-62 807 AM

TO- DIRECTOR, FBI /15-38700/

FROM- SAC, CHICAGO /15-12848/ 1P

GERALD COVELLI., ET AL , TFIS DASH CONSPIRACY., OBSTRUCTION OF JUSTICE., BRIBERY., MISPRISON OF FELONY.

REMYTEL APRIL TWELVE, LAST.

TRIAL RESUMED USDC, PEORIA, ILLINOIS, APRIL THIRTEEN, NEXT. [redacted] ON STAND MOST OF DAY AS FIRST DEFENSE WITNESS. [redacted] IN PART OF HIS TESTIMONY REPUDIATED PRIOR TESTIMONY OF BUREAU AGENTS. MOST [redacted] STATEMENTS TENDERED BUT WILL BE USED IN REBUTTAL.

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AUSA-S ADVISED THAT BUREAU AGENTS WILL BE USED IN REBUTTAL TO REFUTE ALLEGATIONS MADE BY [redacted] AS TO TESTIMONY OF SPECIAL AGENTS [redacted] OITZINGER AND [redacted] ADDITIONAL DEFENSE WITNESSES ON STAND REMAINDER OF DAY.

[redacted] BUT IS TO RETURN TO [redacted] ON APRIL EIGHTEEN, NEXT.

END AND ACK PLS

REC-28 15-38700-202

WA 9-10 AM OK FBI WA DA

5 APR 17 1962

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53 APR 20 1962

cc:

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FBI
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DIVISION

APR 14 9 10 AM '62
APR 14 10 51 AM '62

F. B. I.
U. S. DEPT. OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
APR 17 1962

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. Dollbach
Mr. Evans
Mr. Malone
Mr. Mason
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

TELETYPE

URGENT 4-17-62 11-34 AM CDR

TO DIRECTOR, FBI, SAC, KANSAS CITY

AND SAC, LAS VEGAS

FROM SAC, CHICAGO /15-12848/ 1 P

GERALD COVELLI, ET AL, TFIS., BRIBERY., OBSTRUCTION OF JUSTICE., MISPRISON OF A FELONY.

AUSAS, CHICAGO, CONSIDER SAS OTTO T. HANDWERK OF KANSAS CITY OFFICE AND [redacted] OF LAS VEGAS OFFICE, NECESSARY REBUTTAL WITNESSES IN TRIAL PRESENTLY IN PROGRESS IN PEORIA, ILLINOIS.

HANDWERK WILL TESTIFY TO BEING PRESENT WHEN INTERVIEW HAD WITH [redacted] CAFE CONTINENTAL, IS EXPECTED TO BE DEFENSE WITNESS.

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[redacted] WILL BE ABLE TO REFUTE [redacted] TESTIMONY BASED ON HIS PRIOR INTERVIEW WITH [redacted]

I CONSIDER ABOVE REQUESTS JUSTIFIABLE AND BOTH SAS WILL APPEAR IN PEORIA, INLLINOIS, ON A. M. ON APRIL EIGHTEEN, NEXT UACB.

~~CORRECTION LINE ONE WRD FIVE SHLD BE TFIS~~

END AND ACK PLS

WA 12-38 PMOK FBI WA LVS

KC OK FBI KC MRH

LV OK FBI LV JFB

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U. S. DEPT. OF JUSTICE

REC'D - ROSEN
FBI

APR 17 1 04 PM '62

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APR 17 2 53 PM '62

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U. S. DEPT. OF JUSTICE

TELETYPE

APR 17 1962

APR 17 12 40 PM '62

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F B I

OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

Memorandum

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

TO : Mr. Rosen

DATE: April 9, 1962

FROM : J. R. Malley

SUBJECT: GERALD COVELLI, ET AL.;
THEFT FROM INTERSTATE SHIPMENT -
CONSPIRACY; OBSTRUCTION OF JUSTICE;
BRIBERY; MISPRISION OF FELONY

ASAC [redacted] Chicago, telephonically advised that the Assistant U. S. Attorneys handling this case had indicated they would contact [redacted] at the Department in connection with obtaining the [redacted] advised that [redacted] relating to this case, and that some of the information has been reduced to writing on Interview Form 302 and other information is set forth on Form FD 209, the form used in relating information [redacted] stated that neither Assistant U. S. Attorney [redacted] or Assistant U. S. Attorney [redacted] has indicated just what information they want to look [redacted] It is understood that [redacted] is going to testify and they are desirous of being in a position to handle any situation that might arise.

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It was pointed out to [redacted] that the situation involved was one which should receive very careful consideration inasmuch as the Bureau's informant program could be jeopardized by any incorrect action on the part of the U. S. Attorney's Office. [redacted] advised that he fully understood this and would make it very clear in connection with any specific request of the attorneys handling this case that due consideration must be given to the Bureau's over-all informant program.

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This matter was discussed with Section Chief Eddy, who concurs that every effort should be made to protect the informant as well as the confidential nature of the file involved.

1 - Mr. Eddy, Room 1509
1 - Mr. Fipp, Room 1523

EX-116

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U. S. DEPT. OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION
DEPARTMENT
COMMUNICATIONS SECTION
APR 17 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 4-17-62 1-23 AM TN

TO DIRECTOR, FBI 15-38700

FROM SAC CHICAGO 15-12848

GERALD COVELLI. ET AL. TFIS DASH CONSPIRACY. OOJ. BRIBERY. MISPRISION OF FELONY.

REMYTEL APRIL FOURTEEN LAST.

COURT RECESSED TO APRIL SEVENTEEN NEXT.

RETEL READ IN PART QUOTE MOST [redacted] STATEMENTS TENDERED BUT WILL BE IN REBUTTAL UNQUOTE SHOULD BE CORRECTED TO QUOTE NO [redacted] STATEMENTS TENDERED BUT WILL BE IN REBUTTAL UNQUOTE. [redacted] TESTIFIED TO EFFECT THAT HE HAD NO KNOWLEDGE OF SUNNY BROOK WHISKEY BROUGHT INTO CAFE CONTINENTAL UNTIL THIS INFORMATION BROUGHT TO HIS ATTENTION [redacted] THAT THIS WAS COVELLI-S DEAL AND THAT HE OBJECTED TO SAME. HE DENIED THAT HE TOLD BUREAU AGENTS THAT HE HAD DESTROYED SEVERAL GALLONS OF WHISKEY AT CAFE CONTINENTAL THE DAY AFTER HIS ARREST. THIS CONTRADICTS PRIOR TESTIMONY OF COVELLI. ALSO CONTRADICTS PRIOR TESTIMONY OF BUREAU AGENTS TO THE EFFECT THAT [redacted] ADVISED THAT FOLLOWING [redacted]

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REC-100 15-38700-205

END PAGE ONE

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DIVISION

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F. B. I.
U. S. DEPT. OF JUSTICE

[redacted] CAFE CONTINENTAL WHERE HE DISCOVERED SEVERAL GALLONS OF WHISKEY AND DESTROYED THEM. ANOTHER BUREAU AGENT HAD TESTIFIED TO CONVERSATION WITH [redacted] WHEREIN [redacted] STATED THAT HE HAD NO KNOWLEDGE WHERE WHISKEY CAME FROM AND QUOTE THAT AS FAR AS HE KNEW, IT BELONGED TO [redacted] UNQUOTE. [redacted] ALSO CONTRADICTS TESTIMONY OF BUREAU AGENT IN REGARD TO CONTENT OF CONVERSATION HAD IN APRIL, NINETEEN SIXTY. ALL OF THE ABOVE CONTRADICTIONS ARE TO BE REFUTED BY BUREAU AGENTS IN REBUTTAL.

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BUREAU AGENTS ALSO ARE EXPECTED TO TESTIFY IN REBUTTAL TO STATEMENTS MADE BY [redacted] IN AN ATTEMPT TO IMPEACH [redacted]

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WHEN DEFENSE REQUEST IS MADE FOR REPORTS UNDER JENCK-S DECISION, THE JUDGE WILL REVIEW IN CAMERA THE RESPECTIVE REPORTS PRIOR TO TURNING SAME OVER TO DEFENSE AS GOVERNMENT TENDERS.

END AND ACK PLS

2-31 AM OK FBI WA BH

TU DISCO

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F B I

APR 17 2 32 AM '62

APR 17 7 43 AM '62

REC'D-CRIMINAL SEC.
F B I

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GENERAL INVESTIGATIVE
DIVISION

APR 17 3 02 AM '62
F B I
U.S. DEPT. OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
APR 18 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 4-18-62 1-54 AM TN

TO DIRECTOR, FBI 15-38700

FROM SAC CHICAGO 15-12848

GERALD COVELLI., ET AL, TFIS DASH CONSPIRACY., OOJ., BRIBERY., MISPRISION OF FELONY.

REMYTEL APRIL SIXTEEN LAST.

COURT RECONVENED PEORIA, ILLINOIS, APRIL SEVENTEEN INSTANT.

DEFENSE WITNESS [redacted] TESTIFIED. b6 b7C b7D

ATTORNEY [redacted] WHO DEFENDED [redacted] IN BANK ROBBERY CASE AND SUCCESSFUL COURT APPEAL, TESTIFIED.

[redacted] CAFE CONTINENTAL, TESTIFIED.

[redacted] TOOK STAND AND TESTIFIED THAT COVELLI DIRECTED HIM TO REFILL BOTTLES WITH SUNNY BROOK WHISKEY AND HE HAD NO KNOWLEDGE THAT SAME WAS STOLEN. COURT RECESSED WITH [redacted] STILL UNDER DIRECT TESTIMONY.

ST-104 REC-10 15-38700-206

SAS [redacted] [redacted] AUGUST C. KEMPFF, [redacted] PRESENTLY UNDER SUBPOENA AS GOVERNMENT REBUTTAL WITNESSES. b6 b7C

SAS [redacted] TO TESTIFY CONCERNING

END PAGE ONE

22 53 APR 25 1962

38

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
APR 18 11 58 AM '62
F. B. I.
U. S. DEPT. OF JUSTICE

LETTERHEAD

THEIR PAST INTERVIEWS WITH DEFENDANT [redacted]

KEMPFF TO TESTIFY TO CONVERSATION HAD WITH ALLEGRETTI.

[redacted] TO TESTIFY TO INTERVIEW WITH [redacted]

I FEEL THAT ABOVE REQUEST IS JUSTIFIABLE.

AT THE REQUEST OF AUSAS [redacted] SUBPOENA FOR [redacted] TO BE SERVED BY BUREAU AGENTS FOR HER PRESENCE FORTHWITH IN [redacted] PRIOR BUREAU AUTHORITY OBTAINED FOR SERVICE OF SUBPOENA. UPON DISCUSSION WITH USA O-BRIEN AT CHICAGO RE SERVICE OF SUBPOENA HE REQUESTED CHICAGO OFFICE TO CONTACT AUSA [redacted] IN PEORIA AND HAVE [redacted] SEND CHICAGO OFFICE TELEGRAM INDICATING PROCESS OUTSTANDING.

O-BRIEN INDICATED THIS WOULD GIVE BUAGENTS SOMETHING IN THEIR POSSESSION TO SHOW SUBPOENA HAD BEEN ISSUED. THESE INSTRUCTIONS RELAYED TO [redacted] WHO COMPLIED.

BUREAU AGENTS ATTEMPTING TO LOCATE [redacted] PURSUANT TO ABOVE INSTRUCTIONS. INFO RE ATTEMPTS TO LOCATE [redacted] FURNISHED CHICAGO AGENTS PRESENTLY IN PEORIA TO BE RELAYED TO AUSA [redacted]

END AND ACK PLS

3-01 AM OK FBI WA HFL

TU DISCO

b6
b7C
b3

b6
b7C
b7D

FBI
REC'D-IF ELAPSED TIME

REC'D-REC'D-TELETYPE UNIT
F B F B I

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APR 18 10 39 AM '62
REC'D-CRIMINAL SEC.
F B I

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
APR 18 3 34 AM '62
F. B. I.
U. S. DEPT. OF JUSTICE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
APR 19 1962

TELETYPE

URGENT 4-19-62 8-19 AM RJL

TO - DIRECTOR FBI

FROM - SAC CHICAGO 15-12848 2- P

GERALD COVELLI, ET AL, TFIS DASH CONSPIRACY, ET AL. BUFILE FIFTEEN DASH THREE EIGHT SEVEN ZERO ZERO.

TRIAL RESUMED APRIL EIGHTEEN LAST. [redacted] COMPLETED DIRECT TESTIMONY. UNDER CROSS EXAMINATION, [redacted] ADMITTED HE HAD GONE TO SILVER DOME IN P. O. A., HOWEVER, LEFT SAME AND TOOK QUOTE L END QUOTE TRAIN. HE RETURNED FIVE HOURS LATER TO PICK UP P. O. A. ADMITTED HE HAD PREVIOUSLY RECEIVED PHONE CALL FROM COVELLI ADVISING HIM THAT TAVERN RAIDED AND TO STAY AWAY.

b6
b7C

[redacted] TESTIFIED THAT [redacted] CAFE CONTINENTAL AND SILVER DOME.

b6
b7C

[redacted] PIONEER NATIONAL BANK, TESTIFIED RE BANK RECORDS OF [redacted] ACCOUNT, HOWEVER, DEFENSE IN ERROR ~~BECAUSE~~ FIVE THOUSAND DOLLAR CHECK IN QUESTION DRAWN ON ANOTHER CHICAGO BANK AND SAME BEING PRODUCED AS REBUTTAL EVIDENCE FOR GOVERNMENT. DEFENSE RESTED. GOVERNMENT REBUTTAL WITNESSES INCLUDED REPRESENTATIVES FROM LEAVENWORTH AND MILAN.

ST-104 REC-13 15-38700-207
APR 20 1962

b6
b7C

BUAGENTS REFUTED PRIOR TESTIMONY OF [redacted] WHEREIN HE CONTRADICTED PRIOR AGENT TESTIMONY. SAS [redacted] AND [redacted]

END PAGE ONE

53 APR 27 1962

MR. BELMONT FOR THE DIRECTOR

memo Rosen to Belmont 4/19/62 JHB:ymw

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

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APR 19 9 43 AM '62

F. B. I.
U. S. DEPT. OF JUSTICE

REC'D BELMONT
FBI - JUSTICE

[redacted] TESTIFIED AS TO INFORMATION FROM [redacted]

[redacted] TESTIFIED THAT [redacted] TOLD HIM ON MARCH FOUR FIFTY EIGHT OF BIRTHDAY PARTY CELEBRATION AT CAFE CONTINENTAL ATTENDED BY JAMES ALLEGRETTI, [redacted] QUOTE [redacted] END QUOTE [redacted] JOSEPH QUOTE CAESER END QUOTE DI VARCO AND [redacted] AMONG OTHERS.

b6
b7C

DEFENSE UNDER JENCK- S DECISION REQUESTED FULL REPORTS. PRESIDING JUDGE MERCER REVIEWED MATERIAL SUBMITTED BY AUSAS IN CAMERA PAREN UNDERLINED END PAREN AND RULED THAT [redacted] FOR POSSIBLE REVIEW BY COURT OF APPEALS. [redacted] S INFORMATION RE BRITHDAY PARTY AND ONE PAGE OF [redacted] S REPORT CONCERNING OWNERSHIP OF CAFE CONTINENTAL MADE AVAILABLE TO DEFENSE BY JUDGE MERCER.

b7E

b6
b7C

[redacted] RETURNED TO [redacted] ON PM FOUR EIGHTEEN LAST. AUSAS ADVISED THAT THEY DO NOT CONTEMPLATE USING [redacted] GOVERNMENT EXPECTED TO REST ON APRIL NINETEEN NEXT.

AUSA [redacted] REQUESTED THAT BUREAU SERVE SUBPOENA DUCES TECUM [redacted]

b6
b7C
b7D

BUREAU APPROVAL RECEIVED, SUBPOENA SERVED AND WITNESS SO TRANSPORTED.

~~CORR P 2 NL8 W7 PORTIONS~~

CC-MR. ROSEN

END AND ACK

9-29 AM OK FBI WA DA

TU DISCO

REC'D-TELETYPE UNIT
F B I

APR 19 9 29 AM '62

NA Perm

BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
APR 24 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 4-23-62 11-03 PM RAM

TO DIRECTOR, FBI /15-38700/

FROM SAC, CHICAGO /15-12848/ 1P

GERALD COVELLI, ET AL, TFIS DASH CONSPIRACY, BRIBERY, OBSTRUCTION OF JUSTICE, MISPRISON OF FELONY.

RE MYTEL APRIL NINETTEN LAST.

CAPTIONED TRIAL RECONVENED USDC, PEORIA, ILLINOIS, FOUR TWENTY-THREE SIXTY-TWO, NINE THIRTY A.M. CLOSING ARGUMENT BY PROSECUTION AND DEFENSE PRESENTED THROUGHOUT THE DAY. THE PROSECUTION BEGAN WITH AUSA [redacted] OUTLINING THE CASE AND THE GOVERNMENT-S PROOF OF THE INDICTMENT. DEFENSE ATTORNEYS THEN FOLLOWED IN TURN AND IN SUBSTANCE CONCENTRATED MOST OF THEIR EFFORTS ON ATTACKING THE CREDIBILITY OF MAX OLSHOM AND GERALD COVELLI. AUSA [redacted] PRESENTED THE FINAL CLOSING ARGUMENT IN BEHALF OF THE GOVERNMENT AND HIGHLIGHTED PERTINENT PHASES OF THE GOVERNMENT-S CASE.

b6
b7C

THE COURT WILL GIVE INSTRUCTIONS TO THE JURY A.M. FOUR TWENTY-FOUR SIXTY- TWO AT WHICH TIME JURY WILL BEGIN THEIR DELIBERATION.

REC-10 15-38700-208

END AND ACK PLS.

ST-104

9 APR 24 1962

WA 0-12-06 AM OK FBI WA JS

TU DISCM

50 APR 27 1962

FBI

cc Gamble

86

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

APR 24 9 48 AM '62

F. B. I.
U. S. DEPT. OF JUSTICE

REC'D-TELETYPE UNIT
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APR 24 12 06 AM '62

APR 24 7 32 AM '62
REC'D-CRIMINAL SEC.
F B I

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GENERAL INVESTIGATIVE
DIVISION

APR 24 12 28 AM '62
F. B. I.
U. S. DEPT. OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
APR 20 1962

TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 4-20-62 11-43 AM MAK

TO DIRECTOR, FBI

FROM SAC, CHICAGO /15-12848/ 2P

GERALD COVELLI, AKA., ET AL. TFIS DASH CONSPIRACY., OOJ., BRIBERY., MISPRISION OF FELONY.

REMYTEL APRIL EIGHTEEN LAST.

TRIAL RESUMED USDC, PEORIA, APRIL NINETEEN INSTANT. [redacted] b6 b7C

GOVERNMENT CONTINUED WITH REBUTTAL WITNESSES. ILLINOIS DIVISION OF MOTOR VEHICLES, TESTIFIED AS TO REGISTRY OF THREE AUTOMOBILES BY DEFENDANT [redacted]

JEFFERSON BANK REPRESENTATIVE ENTERED CANCELED CASHIERS CHECK IN THE AMOUNT OF FIVE THOUSAND DOLLARS PAYABLE TO COVELLI.

[redacted] TESTIFIED THAT [redacted] GERALD COVELLI REARED IN CHICAGO NEIGHBORHOOD SIX TO EIGHT MILES REMOVED FROM NEIGHBORHOOD REFERRED TO BY [redacted] IN HIS TESTIMONY AS DEFENSE WITNESS. SHE ALSO TESTIFIED THAT ABOVE FIVE THOUSAND DOLLAR CHECK SENT TO COVELLI. b6 b7C

DEPUTY USM, CHICAGO, TESTIFIED AS TO SERVING SUBPOENA ON DEFENDANT [redacted]

15-38100-209

EX-114 REC-15 5 APR 24 1962

END PAGE ONE

50 APR 27 1962

6p

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

APR 20 1 42 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

REC'D - ROSEN
FBI

APR 20 1 31 PM '62

BUAGENT TESTIFIED AS TO CONVERSATIONS HAD WITH [redacted] IN APRIL, SIXTY, FEB., SIXTY TWO AND APRIL, SIXTY TWO.

b6
b7C
b7D

USM [redacted] SOUTHERN DISTRICT OF ILLINOIS, PUT ON STAND AS DEFENSE WITNESS RE GOVERNMENT SUBPOENA OF [redacted] DEFENSE ATTORNEY INDICATED TO NEWSPAPER REPORTER THAT THEY HAVE TAPE RECORDINGS RE [redacted] CONVERSATIONS WITH DEFENDANTS [redacted] CONTENT OF THESE CONVERSATIONS UNKNOWN. [redacted] KNOWN TO HAVE FREQUENTED [redacted]

JURY EXCUSED UNTIL APRIL TWENTY THREE NEXT AND GOVERNMENT AND DEFENSE ATTORNEYS RETIRED TO JUDGE-S CHAMBERS TO ARGUE INSTRUCTIONS. INSTRUCTIONS TO JURY AND CLOSING ARGUMENTS ON APRIL TWENTY THREE NEXT. BUREAU WILL BE APPRISED OF PERTINENT DEVELOPMENTS.

END AND ACK PLS

12-49 PM OK FBI WA MSL

TU DISC

REC'D-TELETYPE UNIT
F B I

APR 20 12 50 PM '62

OPTIONAL FORM NO. 10

UNITED STATES GOVE

Memorandum

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

TO : Mr. Belmont

DATE: April 19, 1962

FROM : A. Rosen

SUBJECT: GERALD COVELLI, AND OTHERS;
THEFT FROM INTERSTATE SHIPMENT -
CONSPIRACY; OBSTRUCTION OF JUSTICE;
BRIBERY; MISPRISION OF FELONY

This is to advise that the defense rested in this case and the Government expects to rest today.

By way of background, this case involves the theft of a trailerload of whiskey in Chicago, Illinois, on December 28 - 30, 1957. Assistant United States Attorneys (AUSAs) [redacted] Chicago, threatened to expose [redacted] of the [redacted] Office, during the trial in this case and force him to testify. b6 b7C b7D

This case has been on trial in Peoria, Illinois, since March 27, 1962. The principal Government witness was Gerald Covelli, one of the defendants. [redacted] has not been used as a witness and the AUSAs now state that they do not contemplate using his testimony. b6 b7C b7D

[redacted] of the Chicago Office, testified as a defense witness during the trial of this case. He repudiated prior statements given to Bureau Agents and Agents were utilized as rebuttal witnesses to refute his testimony.

The defense requested all reports regarding information furnished by [redacted] The trial judge ruled that portions dealing with [redacted] not to be made available. b6 b7C b7E

ACTION:

The Chicago Office is being closely followed to insure that all developments are immediately reported to the Bureau.

JHG:bm
(6)

REC-71 15-38300-210

50 MAY 2 1962

5 APR 24 1962

68

REC'D DE LOACH
F B I
APR 19 3 48 PM '62

RECEIVED
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F. B. I. - TOLSON
U. S. DEPT. OF JUSTICE
RECEIVED
F B

RECEIVED-DIRECTOR
F. B. I.
APR 19 1 41 PM '62

REC'D-ROSEN
FBI
APR 20 1 57 PM '62

APR 19 11 27 AM '62
REC'D BELMONT
FBI - JUSTICE

REC'D BELMONT
FBI - JUSTICE
APR 20 8 55 AM '62

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GENERAL INVESTIGATIVE
DIVISION
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F. B. I.
U. S. DEPT. OF JUSTICE

GENERAL INVESTIGATIVE DIVISION

DO 4-25-62

The trial of this case began in Peoria, Illinois, on 3-27-62 and was concluded on 4-24-62. It was concerned with the possession of whiskey stolen from an interstate shipment in 1957 by four hoodlums in the Chicago area. This is the case wherein the Assistant U. S. Attorneys in Chicago threatened to expose [redacted] as a Bureau [redacted] however his testimony was not utilized at trial. b6 b7C b7D

Attached teletype indicates all subjects were found guilty of conspiracy and possession of whiskey stolen from an interstate shipment.

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
APR 24 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 4-24-62 7-56 PM RAM

TO DIRECTOR, FBI /15-38700/

FROM SAC, CHICAGO /15-12848/ 1P

GERALD COVELLI, ~~ET AL~~ AND OTHERS, ~~TFIS~~ Theft from Interstate Shipment DASH CONSPIRACY, OBSTRUCTION OF JUSTICE, BRIBERY, MISPRISION OF FELONY.

b6
b7C

RE MYTEL APRIL TWENTY-THREE LAST.

COURT RECONVENED NINE THIRTY AM THIS DATE AT PEORIA, ILLINOIS. COURT IN AM INSTRUCTED JURY AFTER WHICH AT APPROXIMATELY ELEVEN TWENTY AM JURY DELIBERATIONS BEGAN. AT FIVE PM THIS DATE JURY RETURNED VERDICT OF GUILTY AGAINST DEFENDANTS JAMES ALLEGRETTI, [redacted] AND FRANK LISCIANDRELLO. THIS VERDICT IS ON AN INDICTMENT IN TWO COUNTS, NAMELY CONSPIRACY AND POSSESSION. DEFENSE INDICATED THAT THERE WOULD BE MOTIONS FOR A NEW TRIAL IN SHORT PERIOD OF TIME AND COURT ADVISED THAT AT THAT TIME RULINGS WOULD BE MADE ON SAID MOTIONS AND A PRESENTENCING INVESTIGATION WOULD BE ORDERED AT THAT TIME.

THE DEFENSE REQUESTED OF THE COURT THAT THE ORIGINAL BOND PERTAINING TO ALL DEFENDANTS BE ALLOWED TO STAND. THE COURT GRANTED THIS MOTION AND ALL DEFENDANTS RELEASED ON ORIGINAL BONDS AWAITING DEFENSE MOTIONS RE NEW TRIAL AND SUBSEQUENT SENTENCING IN THIS MATTER.

15-38700-211

END AND ACK PLS.

REC-11

16 APR 26 1962

WA 5-01 PM OK FBI WA WS

TU DISC

EX 101

1 APR 30 1962

273

103

REC'D-TELETYPE UNIT
F B I RECEIVED
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APR 26 DIVISION 26 PM '62

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F. B. I.
U. S. DEPT. OF JUSTICE

F. B. I.
U. S. DEPT. OF JUSTICE

APR 25 7 44 AM '62
REC'D-CRIMINAL SEC.
F B I

REC'D-ROSEN
FBI
APR 25 9 24 AM '62

APR 25 8 10 AM '62
REC'D BELMONT
FBI - JUSTICE

APR 25 9 10 AM '62
U. S. DEPT. OF JUSTICE
F. B. I.

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GENERAL INVESTIGATIVE
DIVISION

APR 25 10 26 AM '62
REC'D-CRIMINAL SEC.
F B I

FD-36 (Rev. 12-13-56)

FBI

Date: 4/20/62

Transmit the following in _____
(Type in plain text or code)

Via AIR TEL
(Priority or Method of Mailing)

TO: DIRECTOR, FBI (47-47888)

FROM: SAC, [redacted] (47-2584)(P)

SUBJECT: [redacted]

GERALD COVELLI; [redacted]
FUGITIVE, et al;
TFIS - CONSPIRACY; OBSTRUCTION
OF JUSTICE; BRIBERY; MISPRISION
OF FELONY

b6
b7C
b7D

At 6:20 PM, 4/19/62, [redacted] telephonically contacted the [redacted] Office and stated that AUSA [redacted] had released him from any additional appearances in court, this date. He had requested [redacted] to contact the [redacted] FBI Office to advise them of the fact that he was released and no longer needed in connection with the trial of COVELLI; however, [redacted] stated he would contact the Chicago Office of the FBI and have them advise [redacted] and the Bureau concerning [redacted] status.

b6
b7C
b7D

[redacted] stated he was never called upon to testify during this proceeding.

He stated [redacted] told him that he was free to return to [redacted] and contact the [redacted] Office as he desired.

b6
b7C
b7D

Chicago is requested to immediately verify release of [redacted] from further commitments in this case. Chicago is also requested to determine the extent to which [redacted] connections with this Bureau have been exposed to anyone besides attorneys

b7D

3 - Bureau
2 - Chicago (15-12848)
4 - [redacted] (62-47-2584)

REC-20

EX-102

50 MAY 9 1962

OTM:cgy (9)

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

Ch. Pu. 5/3

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

FBI
U. S. DEPT. OF JUSTICE

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APR 23 12 17 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

FBI
U. S. DEPT. OF JUSTICE

APR 23 4 20 PM '62

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

PG 137-714

in the U. S. Attorney's Office as a result of this case. In the latter connection, it is particularly desired that you determine and advise to what extent his connections have been exposed to any other witnesses in Peoria, Ill., in connection with this proceeding.

Upon receipt of verification that [redacted] has been released from any further commitments in connection with testifying in the foregoing case, SA JOHN S. PORTELLA will resume contact with [redacted] UACB. Extent to which [redacted] will be the subject of additional communications, however.

b6
b7C
b7D

FD-36 (Rev. 12-13-56)

FBI

Date: 4/20/62

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL
(Priority or Method of Mailing)

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

TO : DIRECTOR, FBI (15-38700)

FROM : SAC, CHICAGO (15-~~38700~~)(12848)

SUBJECT: GERALD COVELLI;
ET AL
TFIS - CONSPIRACY;
OBSTRUCTION OF JUSTICE;
BRIBERY; MISPRISION OF FELONY

b6
b7C
b7D

Remytel 4/20/62.

On 4/19/62 United States Marshal [redacted] [redacted] Southern District of Illinois, Springfield, Illinois, temporarily stationed at Peoria, Illinois, where key Government witnesses, [redacted] are temporarily housed, was subpoenaed as defense witness. Defense Attorney [redacted] questioned United States Marshal [redacted] regarding [redacted] as prospective witness in connection with instant trial. [redacted] testified that he [redacted] thus far on two occasions in connection with this trial. He was asked if he had seen [redacted] this week, and he replied in the negative.

b6
b7C
b7D

The defense attorneys in this trial have had tape recordings in their possession during past three days of court sessions. They indicated to a Chicago newspaper reporter that they had tape recordings of conversations by [redacted] with some of the defendants in this case made at the [redacted] The defendants and some of the defense attorneys are staying at the [redacted]

3 - Bureau
3 - [redacted] (47-2584)
[redacted]
1 - Chicago

WDW:gaa
(7)

C. C. Wick

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

57 MAY 7 1962
51 MAY 10 1962
REC'D 48
U.S. DEPT. OF JUSTICE
APR 26 1962
MAY 10 1962
XEROX
COPY FILED IN 137-3755
15-38700-213

4-22-62
DRW

Cwb Bein 5/7/62

FBI
U.S. DEPT. OF JUSTICE
APR 23 3 31 PM '62

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F. B. I.
U. S. DEPT. OF JUSTICE

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
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F. B. I.
U. S. DEPT. OF JUSTICE

Dpy 5/3

APR 23 10 46 AM '62
REC'D-CRIMINAL SEC.
F. B. I.

CG 15-38700

[redacted] during the course of this trial. [redacted] had been observed by Bureau Agents moving freely among the offices of the United States Attorney, United States Marshal, and outside the courtroom in the Federal Building while trial in progress. [redacted] reportedly [redacted]

b6
b7C
b7D

[redacted] Secretary to Assistant United States Attorney [redacted] Peoria, Illinois, confidentially advised [redacted] in conversations with her had said, among other things, that he worked for the FBI mostly and sometimes for Secret Service; that [redacted]

b6
b7C
b7D

The above is being furnished inasmuch as the defense may, in their summations, refer to [redacted] and raise a question in the minds of the jurors as to his purpose or status and why he was not used as a witness.

b6
b7C
b7D

[redacted] is receiving copies of this airtel for their future guidance in the event [redacted] is in contact with that office. For the information of [redacted] was not used as a Government witness. Both sides have rested in this trial and next week the instructions and closing arguments will be heard, thereafter with case going to the jury.

GALE

OPTIONAL FORM NO. 10
5010-104-01

UNITED STATES GOVERNMENT

Memorandum

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. Holloman
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

TO : DIRECTOR, FBI

DATE: 4/25/62

FROM : SAC, CHICAGO (15-12848)

SUBJECT: GERALD COVELLI, et al
TFIS - CONSPIRACY; ET AL
(THEFT FROM INTERSTATE SHIPMENT)

Enclosed herewith is an article which appeared in the "Chicago Daily News" of April 23, 1962.

SA [redacted] who was at counsel table during closing arguments, advises that the testimony of the FBI was not lambasted in any way as indicated by the headline in enclosed article. He advises that there were no remarks made by defense counsel during the course of summation that could be considered as allegations against the Bureau agents. Summation consisted of the usual attempt by defense counsel to infer that the agents could be in error, that the agents could be caught up in their zeal having worked so long on this case, and that kind of material.

b6
b7C

2 - Bureau (Encls. 1)
1 - Chicago
JLH:LMS
(3)

ENCLOSURE

REC-48

15-38700-214

May 2

4 APR 30 1962

57 MAY 8 1962

RECEIVED-DIRECTOR
F.B.I.

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RECEIVED
GENERAL INVESTIGATIVE
APR 30 4 12 PM '62

RECEIVED
F.B.I.
U.S. DEPT. OF JUSTICE
MAY 7 7 38 AM '62

REC'D-CRIMINAL SEC
F B I

DIRECTOR
APR 30 1962

RECEIVED-EVANS
MAY 1 3 29 PM '62

REC'D DE LOACH
F B I
APR 30 4 42 PM '62

REC-D BELMONT
FBI-JUSTICE
APR 30 7 08 PM '62

(3)
JL:DMG
1 - Director
1 - Gordon (Attention: [illegible])

[illegible]

[illegible]

[illegible]

FBI Testimony Lambasted in Hijack Trial

Agents 'Disordered Mentally' By Informant, Says Attorney

By JACK WILLNER
Staff Writer

PEORIA — A defense lawyer Monday sharply criticized the testimony of FBI agents in the whisky hijacking trial of four Chicago hoodlums.

Daniel A. Ahearn said that Gerald Covelli, former mob muscleman who was a government witness, "had disordered these men (FBI agents) mentally with his wild accounts."

Ahearn described Covelli as "a clever rogue" who gave false testimony to get himself out of prison.

The lawyer represents defendant Dave Falzone, 46, night club manager who the government contends is an informer in the case.

Falzone, on the witness stand, has denied being an informer. FBI agents testified he had given the government information that led to the indictment and trial of the other three defendants.

Covelli has testified in behalf of the government.

* * *

IN FINAL arguments to the jury, Ahern said Falzone led a decent life for many years, "and then he went into business with Gerald Covelli — Oh, unhappy day!"

Covelli and Falzone are former partners in Near North Side

* * *

FEDERAL Judge Frederick O. Mercer interrupted Ahern's remarks to excuse the jury and summon the four defense lawyers to the bench.

The judge accused the lawyers of deliberately lengthening their closing arguments so that the government could not present its closing argument until late in the day, when the jury would be fatigued.

Under a schedule agreed upon last week, both sides were to complete their arguments Monday, and the case wast o go to the jury Tuesday.

"I do not approve of your backtracking and going back on your word to this court," Mercer said. He said if the defense took too long, he would allow the government to wait until Tuesday morning for its final arguments.

* * *

OTHER defendants are Jimmy (The Monk) Allegretti, 57, vice boss on Chicago's North Side; Frank (Hot Dog) Lisciandrello, 44, convicted panderer, and Louis Darlak, 44, minor hoodlum.

They are accused of conspiring to possess and possessing stolen Kentucky whisky. The whisky was seized by federal agents in March, 1957, in raids on three North Side taverns.

CHICAGO DAILY NEWS
RED STREAK Edition
Date APR 23 1962
Chicago, Illinois
Page 5 Col. 1
Part —
Editor JOHN STANTON
CHICAGO OFFICE

GERALD COVELLI;
TFIS; OJ; BRIBERY
CG 15-12848

15-38700-214

ENCLOSURE

OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

Memorandum

TO : MR. TROTTER

DATE: 4-12-62

FROM : S. F. Latona

SUBJECT: GERALD COVELLI [redacted]
FUGITIVE; ET AL.
TFIS - CONSPIRACY;
OBSTRUCTION OF JUSTICE;
BRIBERY - MISPRISION OF FELONY

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

b6
b7C

Fingerprint Examiner [redacted] testified yesterday in Federal District Court, Peoria, Illinois, that he developed ten latent fingerprints, two latent palm prints, and two lower finger-joint impressions on seven half-pint whisky bottles and that the ten fingerprints are identical with fingerprints of [redacted] FBI [redacted] who is one of the defendants in this case. Fingerprint card [redacted] U. S. Marshal, Chicago, Illinois, from [redacted] identification record was left in evidence. SA [redacted] was requested to see that this card is returned to the Bureau upon its release from evidence. All other material taken to the trial has been returned to the Bureau's files.

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The Government's case is being presented by AUSAs [redacted] from the Chicago U. S. Attorney's Office with Judge Frederick O. Mercer presiding. The defendants are represented by [redacted] all of Chicago, and [redacted] a local Peoria attorney.

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b7C

The trial was still in progress at the time of [redacted] departure. [redacted] returned to Washington, D. C., at 9:30 p.m., 4-11-62.

A few newspaper clippings regarding the trial are enclosed.

ACTION:

For record.

REC-33 EX-131 MCT-22 15-38700-215

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HEC/smc
(3)
Enclosures (4)

ENCLOSURE

FUG SUP.

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Porter Admits He Smashed Bottles Before U. S. Raid On Chicago Club

A former porter employed by one of four Chicago defendants in a conspiracy trial in Federal Court testified yesterday that he shattered half pint empty whisky bottles the day before the hijacked whisky was confiscated by the government.

GLOVER PITTMAN of New York City, the former porter, testified that he was employed at the Silver Dome, March 14, 1958, by Gerald Covelli, the alleged owner.

He said he had been working at the place before Covelli bought the club. The defendant, Louis Darlak, operator of the club, Pittman testified, directed him to clean up a back hall in the club where empty bottles had been deposited.

The witness said he removed the bottles from cartons which he folded and then broke the bottles in a garbage container. He said the bottles were labeled Sunny Brook, which the government alleges was the brand of whisky hijacked in Chicago, Dec. 30, 1957.

PITTMAN TOLD the jury that on one occasion just before Covelli closed the club selling deal, he saw Sam Sperry, brother of Frank Lisciandrello, another defendant, carry a case of half pints into the place.

At that time the place was owned by Lou Fuchanis and Johnnie Luciana.

Following the sale of the place, Pittman said Luciana came to Peoria where he became a partner in Mike & Mike's place on First avenue. Later he reportedly had an interest in the Faust Club here, the porter said he was informed.

Luciana did not remain in Peoria too long, it was reported, and departed following the fatal shooting of a co-partner in East St. Louis.

Pittman testified that on March 14 when Darlak came into the place he warned him:

"Whatever you see and hear around here keep to yourself if you want to live long. We're tough boys."

THE GOVERNMENT late Tuesday introduced some additional statements taken by the FBI from Max Olshon, a previous witness. The statements were being studied today by Judge Frederick O. Mercer who will pass as to their admission. The statements were flown here from Houston.

Joseph (Ruffy) Lisciandrello, 58, was discharged as a defendant Tuesday morning by Judge Mercer because of illness. He will be tried later.

He is a patient in Ravenswood Hospital, Chicago, suffering from pneumonia, asthma and a heart condition, according to an affidavit signed by his physician.

The government had no objection since another physician they selected concurred in the findings of Lisciandrello's physician. Still in the case besides Davlakane are Lisciandrello's brother, Frank, Jimmy (The Monk) Allegretti, and Dave Falzone.

The defendants are charged with conspiracy to possess 35 cases of hijacked whisky. The $14,000 cargo of half pints were stolen from a truck in Chicago, Dec. 30, 1957. Part of the cargo was confiscated from three clubs, all allegedly operated by the defendants.

PEORIA JOURNAL STAR
4-4-62

15-38100-215

ENCLOSURE

Witness Tells To 'Fix' Payment In Whisky Case Trial Here

By EDWARD F. MURPHY
Staff Writer

A witness with whose testimony the government seeks to convict his four alleged conspirators told a Federal Court here Thursday that he paid one of the defendants $2,500 "to fix" the conspiracy case.

Gerald Covelli of Chicago, an ex-convict, testified in the trial of four other Chicago hoodlums that he paid the money to one of the defendants, Jimmy (The Monk) Allegretti, April 4, 1958, in a Chicago restaurant.

Covelli said he paid the money for himself and his two partners, Louis Darlak and Dave Falzone. He said Allegretti told him he would add a similar amount for himself and Frank (Hot Dog) Lisciandrello, all defendants in the trial for conspiracy to possess stolen whisky, and Joseph (Ruffy) Lisciandrello, who was dismissed from the present trial because of illness.

THE GOVERNMENT'S witness told the court he had just returned to Chicago from a "hideout" trip when he located Allegretti and "Ruffy" with two other men in the restaurant.

Judge Frederick O. Mercer ruled that Covelli could testify with respect to the payment of the money only against the defendants who were present at the time of the conversation.

"It'll cost $5,000," Covelli quoted Allegretti as saying. He added:

"Jimmy said he reached out and made the connection to squash the beef."

"What did he mean by that?" John Quan, government prosecutor, demanded.

"That he would take care of fixing the case so there would be no repercussions," Covelli answered.

The witness said he went to Darlak and Falzone, but neither could raise the money.

"I called my wife and told her to meet me and bring her mink

Continued on Page B-13

Witness Tells 'Fix' Payment

Continued from Page B-1

stole, diamond ring and diamond bracelet. I got $350 for the stole and hocked the ring and watch for $1,100.

"I told her to go home, get our gold coins, and hock them with her father. She did and gave me another $1,100," Covelli testified.

He said he and Falzone returned to the restaurant and he handed the money to Allegretti.

"THEN WHAT happened?" Quan queried.

"Jimmy got up and left through the back door and I went out the front.

"I saw Jimmy walk up to a parked car on Wabash avenue and start talking to someone in the car," Covelli said.

The government charges the defendants possessed 35 cases of stolen whisky on March 17, which federal agents confiscated from three clubs in which the defendants allegedly had an interest.

On cross examination which was not completed Thursday, Covelli said he would "lie and lie and lie anytime" to help himself.

Quizzed by Frank Oliver, defense counsel, Covelli testified he had lied many times on the witness stand under oath and in statements to government attorneys and FBI agents to help himself.

"Have you ever lied to hurt another person being tried?" Oliver asked.

"When I lie, I lie to save myself," the witness said.

Covelli admitted he had pleaded guilty to the indictment for conspiracy but had not been sentenced.

OLIVER VIGOROUSLY questioned the witness about his statements in Houston in a Dyer act case against two Chicago attorneys. He admitted he lied in that trial, but insisted he felt the attorneys were as guilty as he was, although they were acquitted.

Oliver showed that while Covelli was in the pentitary his wife won a divorce, but later visited him.

"Yes, she did. The syndicate sent her down to see me," Covelli said.

"Any information about me would have to have come from your wife, wouldn't it?" Oliver asked.

"Yes," he answered, but "Cottingham (government attorney who prosecuted the case in Houston) told me you said I had signed my death warrant," Covelli testified.

Oliver asked the witness if he was aware he was facing a severe sentence in the conspiracy case and would he lie on the stand here to help himself, to which the witness replied.

"No sir, I wouldn't."

However he did admit he had lied in statements taken from him by William Weatherwax and John J. Oitzinger, both FBI agents, who are expected to testify for the government.

PEORIA JOURNAL STAR
4-6-62

15-38700-2

ENCLOSURE

Lied in '59 To Help My Partners, Whisky Trial Witness Claims

By EDWARD F. MURPHY
Staff Writer

"I told the FBI so many lies about this case I don't remember now what I told them," the government's star witness in the conspiracy trial of four other Chicago hoodlums told a Federal Court jury Friday.

Gerald Covelli, an ex-convict, made the statement on cross-examination concerning statements he gave the FBI in 1959 when he assumed most of the blame for possession of stolen whisky.

"I was trying to help my business partners at the time," meaning the defendants, he said in response to a defense question.

"The truth is that never before you sat on this witness stand did you implicate all of these defendants, isn't that true?" Covelli had been asked.

The witness said he didn't think "they could get an indictment against them."

"I didn't relate all the story to agents and government attorneys. I didn't relate to my business associates. I was trying to keep them out of it," Covelli said.

"When you leased the Silver Dome on March 13, 1958, you had known Lou Fushanis for a long time and he knew your name was Covelli, didn't he?" the defense asked. (Covelli signed the lease as Jerry Dolo, an alias.)

"I HAD JUST met him a few days before but he knew my name. Joseph Lisciandrello, who was discharged as a witness because of illness, told him."

Covelli said after the indictments were returned by a federal grand jury and he pleaded guilty that he had been harassed by the defendants. He said that as long as he had to "do time why shouldn't they, too," accounting for his change from protecting the defendants.

Throughout Friday's session, defense attorneys sought to discredit the witness because of his admission of lies about previous testimony in a trial at Houston and his many statements to the government.

He was closely questioned about when he first saw the 400 cases of half pints of the stolen liquor in the Continental Cafe.

He told agents he first saw it after Louis Darlak, another defendant, had it stored, but he also said he helped carry it into the place.

"Now you are saying it was Darlak. Is your memory better now than in 1959?" he was asked.

"I have a tendency to lie. I have all my life. Now I'm telling the truth," he said.

COVELLI WAS questioned at length whether he knew what sentence he would get in the conspiracy case for pleading guilty and testifying. He said he did not know.

The court adjourned the case until 10 a.m. Tuesday.

Meanwhile, Covelli and Max Alshon, who is held by the government in protective custody, will be housed in the federal section of the Peoria County jail, it was reported.

Other defendants in the case are Frank (Hot Dog) Lisciandrello, Dave Falzone and Jimmy (The Monk) Allegretti.

PEORIA JOURNAL STAR
4-7-62

15-38700-215

ENCLOSURE

Hijack Figure Asked To Be Indicted: Covelli

Falzone Didn't Want to Face Hoodlum Wrath, Court Told

By JACK WILLNER
Staff Writer

PEORIA—A syndicate flunky pleaded to be indicted and tried rather than face the wrath of his hoodlum associates as a known informer, a government witness testified Wednesday.

The witness, Gerald Covelli, a hoodlum who has testified for the government in a whisky hijacking case here, said Dave Falzone, 44, asked to be indicted so his associates "would know I'm not talking."

FALZONE

However, Covelli said, Falzone did provide valuable information about the hijacking ring in a conference with government attorneys in April, 1960, in the U.S. Courthouse in Chicago.

* * *

EARLIER, while the jury was not present, John J. Quan, assistant U.S. attorney, reported that Falzone said he had been threatened with death by Jimmie (The Monk) Allegretti, 57, Chicago North Side crime boss and another defendant.

At one point in the questioning, which wound up Covelli's fourth day on the stand, Quan asked him why he had been studying Spanish and Italian.

Covelli replied:

"If and when I get out of this mess, I know I will have to leave the country because there is a price on my head."

* * *

THIS brought a call for a mistrial from the four defense lawyers, a motion that was denied by U.S. District Court Judge Frederick O. Mercer.

Covelli has been under heavy police guard since it was revealed he would be a government witness.

In cross-examination, defense attorneys tried to show that Covelli had threatened Falzone with death if he did not testify for the government. Covelli denied this.

* * *

THE JURY of five women and seven men is hearing the case, which revolves around government charges that the defendants stored stolen whiskey in North Side night spots.

Defendants with Allegretti and Falzone are Frank (Hot Dog) Lisciandrello, 44, convicted panderer, and Louis Darlak, 46, a petty hoodlum.

CHICAGO DAILY NEWS
4-11-62

15-38700-215

ENCLOSURE

OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

Memorandum

Tolson
Belmont
Mohr
Callahan
Conrad
DeLoach
Evans
Malone
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

TO : Mr. Rosen

DATE: March 21, 1962

FROM : W. B. Welte

SUBJECT: GERALD COVELLI, AND OTHERS;
THEFT FROM INTERSTATE SHIPMENT -
CONSPIRACY; OBSTRUCTION OF JUSTICE;
BRIBERY; MISPRISION OF FELONY

[redacted] of the Criminal Division of the Department advised that he had been in contact with U. S. Attorney James P. O'Brien, Chicago, this afternoon at which time O'Brien informed him that he had been advised by the FBI that [redacted] O'Brien indicated that this no longer presented a problem then of using a current informant as a witness and that the only question was would they be placing [redacted] life in jeopardy if they forced him to testify.

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O'Brien advised [redacted] that at the moment he was reserving his decision until [redacted] could be interviewed by a representative of the Chicago U. S. Attorney's Office in order that they could determine [redacted] current attitude toward testifying inasmuch as they had not talked to him for a number of months, and it was after further conferring with [redacted] that they would then make the final decision as to whether or not to call him as a witness in this trial.

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SAC Brown, [redacted] Office, was advised of the information received from [redacted] and instructed to see that [redacted] was well aware of instructions issued yesterday that he was being discontinued as a paid informant. I also pointed out that the U. S. Attorney's Office representatives would be interviewing [redacted] relative to his testifying in this case.

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I then contacted ASAC [redacted] of the Chicago Office and advised him of the information received from [redacted] with regard to the current opinion of U. S. Attorney O'Brien, Chicago.

[redacted] was requested during our conversation to keep us advised as soon as he learned of any decision relative to [redacted] testifying.

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OPTIONAL FORM NO. 10

UNITED STATES GOVERNMENT

Memorandum

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DeLoach
Evans
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Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

TO : Mr. Rosen

DATE: April 10, 1962

FROM : W. B. Welte

SUBJECT: GERALD COVELLI, AND OTHERS;
THEFT FROM INTERSTATE SHIPMENT -
CONSPIRACY; OBSTRUCTION OF JUSTICE;
BRIBERY; MISPRISION OF FELONY

This is to advise of the prosecutive status of captioned matter.

This case has been on trial in Peoria, Illinois, since March 27, 1962. [redacted] Government witness and two signed statements that he had previously furnished in this matter were made available in accordance with the Jencks Decision. b6 b7C b7D

On April 3, 1962, defense attorneys entered a motion for mistrial in behalf of Joseph Lisciandrello due to ill health, which was granted by the Judge. The trial was resumed as to other subjects.

[redacted] b6 b7C b7D

Defense attorneys attempted to describe Covelli as a liar, cheat and perjurer. Court recessed on April 6, 1962, until April 10, 1962.

In regard to the [redacted] the following information is set forth. [redacted] alleged that in March, 1958, when the Chicago Office had arrested Covelli's associates in the hijacking of a load of liquor, one [redacted] b6 b7C b7D

[redacted]

JHG:bm
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EX-115

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REC'D-CRIMINAL SEC.

Memorandum to Mr. Rosen
Re: GERALD COVELLI, AND OTHERS;

This allegation and Covelli's statements were thoroughly checked and were not supported by fact. No Agent of the Chicago Office had died during the period and it would appear [redacted] b6 b7C

The true facts are that on April 3, 1958, at a hearing before U. S. Commissioner Pike the complaints against Covelli's associates were dismissed by the Assistant United States Attorney rather than risk a premature disclosure of evidence at a preliminary hearing. After Covelli's involvement in the Theft from Interstate Shipment case and his arrest on May 21, 1958, the prosecution was expedited. This entire matter was later presented to a grand jury and a true bill was returned.

On March 30, 1962, [redacted] of the [redacted] Office, who previously testified before a Federal Grand Jury in this matter and [redacted] indicated to the Assistant United States Attorneys that he would testify. On April 3, 1962 [redacted] indicated he would [redacted] The Assistant United States Attorney, on April 6, 1962, advised that it was not determined as to whether or not [redacted] testimony will be used and such a determination will be contingent upon the results of the cross-examination of Covelli. b6 b7C b7D

Report Form
FD-263 (5-12-55)

FEDERAL BUREAU OF INVESTIGATION

Reporting Office	Office of Origin	Date	Investigative Period
CHICAGO	CHICAGO	5/18/62	2/14 - 5/14/62

TITLE OF CASE

GERALD COVELLI; [redacted] - FUGITIVE;
ET AL

Report made [redacted]

Typed By: mcg

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b7C

CHARACTER OF CASE

TFIS - CONSPIRACY;
OBSTRUCTION OF JUSTICE;
BRIBERY; MISPRISON OF FELONY

~~XXXXXX~~

b6
b7C

REFERENCES: Report of SA [redacted] dated 1/24/62 at Chicago.
Chicago teletypes to Bureau, Houston and Miami dated 3/30/62.
Daily teletypes to Bureau during period of trial from 3/27/62 through 4/24/62.
Chicago airtel to Bureau dated 5/9/62.

- P -

LEADS

[redacted]

AT [redacted] - INFORMATION

Two copies of this report are being designated for the [redacted] Division for information purposes in view of fact that GERALD COVELLI is the subject of an impersonation case in that division, which case is currently in a pending inactive status until May 1, 1962, awaiting the outcome of

b7D

Approved	Special Agent In Charge	Do not write in spaces below			
Copies made:		15-	38700-	218	
1 - Bureau (15-38700) 1 - USA, Chicago 3 - [redacted] (Info) [redacted] 1 - USA, [redacted] 1 - Springfield (Info) 2 - Chicago (15-12848)				REC-40	b7D
				EX-132	

MAY 23 1962

51 JUN 4 1962

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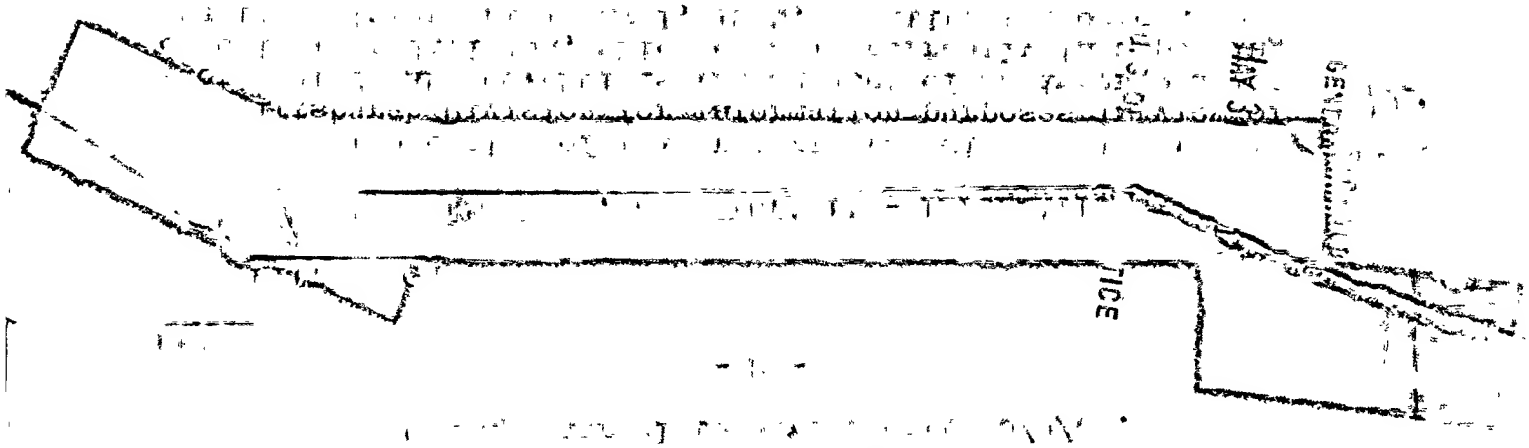
EX-105



prosecutive action in Chicago. Also, one copy is designated for [redacted] in view of the fact that [redacted] intermittently from the morning of [redacted] until [redacted] at which time he departed for [redacted] was not used as a government witness. One copy is also designated for Assistant United States Attorney [redacted] who advised that his office is desirous of proceeding against COVELLI on the pending impersonation charge after prosecutive action is completed at Chicago.

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SPRINGFIELD

AT PEORIA, ILLINOIS - INFORMATION

One copy of this report is being designated for the Peoria Resident Agency for information purposes in view of the fact that the trial was held in that area and pending motions will be heard there in the near future. It is also noted that all government exhibits, including several cases of whiskey, are in the court's custody at that point.

CHICAGO

AT CHICAGO, ILLINOIS. 1. Will follow and report prosecutive action in this matter and maintain close contact with Assistant United States Attorney [redacted] who is handling this matter.

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2. Will check on the present status of JOSEPH LISCIANDRELLO who has been confined due to illness in Ravenswood Hospital, Chicago, Illinois.

3. Will review file and concentrate attention on the bribery phase of captioned case with a view to preparing same for trial which, according to Assistant United States Attorneys, may be set for the fall of this year.

ADMINISTRATIVE

It is noted that the period in this report is rather extensive; however, all leads in this matter have

been handled in expeditious fashion with the Bureau being kept advised by the most expeditious means of communication, such as airtels and daily teletypes during the trial period. The focal point of attention in this matter was being given during the pertinent period to the location of government witnesses and the preparation of this case for trial which took place from March 28, 1962, to April 24, 1962.

For the purpose of brevity and economy in this report witnesses and details of the trial which took place in Peoria, Illinois, from March 27, 1962, to April 24, 1962, are not being set forth inasmuch as a daily transcript of all testimony of this case was maintained during the trial and a copy of which is available to the Chicago Office if needed.

INFORMANTS

On April 1, 1962, [redacted] advised SA WILLIAM F. ROEMER that he has become aware that during cross examination of GERALD COVELLI in the trial for JIMMIE ALLEGRETTI; ET AL the defense attorneys will ask questions of COVELLI with the intention of indicating to the jury that COVELLI was formerly connected with the deceased hoodlums PAUL "Needlenose" LABRIOLA and JIMMIE WEINBERG in shaking down tavern owners in the suburbs of Chicago and that in the mid 1950's when these two hoodlums were found they were found in the trunk of COVELLI's car. The defense attorneys would attempt to show that COVELLI was implicated in these murders. b7D

On April 3, 1962, [redacted] advised SA ROEMER that he has obtained information that JIMMIE ALLEGRETTI is concerned with what he believes to be false testimony on the part of MAX OLSHON at the trial of subjects involved in captioned matter. In order to counteract the testimony of OLSHON contact has been made by [redacted] with one [redacted] (LNU) (known to be [redacted] who previously, during a pertinent phase of this case, [redacted] Cafe Continental) [redacted] b6 b7C b7D

[redacted] met with this individual at the Franklin House Restaurant on April 2, 1962, and offered to pay his expenses to Peoria, Illinois, to testify at the trial as a defense witness. His testimony will be, among other things, the fact that he opened the whiskey of interest and not OLSHON. b6 b7C

Aforementioned informant advised SA ROEMER on April 6, 1962, that JIMMIE ALLEGRETTI and his co-defendants are aware of the fact that a former basketball player for Bradley University in Peoria is one of the jurors sitting on the jury in the ALLEGRETTI case. The informant advised that ALLEGRETTI and his associates are aware that when this individual played for Bradley University he was involved in a basketball fix scandal. He advised, however, that he is not cognizant whether this particular player, the juror, was personally involved in the scandal. He stated however that from conversations of ALLEGRETTI it appears that he and his associates are giving some consideration to attempting to reach this juror.

On April 6, 1962, the above informant advised SA ROEMER that he was in recent conversation with JIMMIE ALLEGRETTI and that due to his conversation with ALLEGRETTI he has become aware that ALLEGRETTI knows that the government has obtained the records of Blue Cross and Blue Shield in order to connect him to the ownership of Ciro's Restaurant. He noted that this is very important to the case against ALLEGRETTI.

In order to counteract the evidence which will be introduced by showing the records of Blue Cross and Blue Shield, ALLEGRETTI has reached out for [redacted] and possibly for [redacted] in order to show that the owner of Ciro's gave permission to ALLEGRETTI to be listed as an employee of Ciro's for purposes of enrollment in the Blue Cross and Blue Shield Plan even though ALLEGRETTI allegedly had no connection with Ciro's b6 b7C

The above listed informant advised SA ROEMER on April 9, 1962, that at 6:00 PM on April 9, 1962, [redacted] b6 b7C

FD-204 (Rev. 3-3-69)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago
1 - USA, [redacted]

Report of: [redacted]
Date: 5/18/62

Office: CHICAGO

Field Office File No.: 15-12848

Bureau File No.: 15-38700

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Title:

GERALD COVELLI; [redacted]
[redacted] - FUGITIVE;
ET AL

Character: THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISON OF FELONY

Synopsis:

The whiskey case (60CR332) was set for trial on 2/26/62 at Peoria, Illinois; however, due to defense attorneys commitments in other matters continuance was granted to 3/62. Jury trial in this matter was held in United States District Court, Southern District of Illinois, before the Honorable Judge FREDERICK O. MERCER from 3/27/62 to 4/24/62. The case was given to the jury 4/24/62. On the same date the jury returned a verdict of guilty against defendants JAMES ALLEGRETTI, [redacted] and FRANK LISCIANDRELLO on both counts in the indictment which is violation of Sections 371, 2 and 659, Title 18, United States Code. Judge MERCER deferred sentencing defendants until filing and hearing of petitions by defense counsels on 5/22/62 to set aside the verdict. On 4/3/62, during course of trial, court ruled mistrial in behalf of JOSEPH LISCIANDRELLO who was in Ravenswood Hospital, Chicago, Illinois, due to ill health. The bribery case (60CR331) which was assigned to Judge ROBSON was returned to the Executive Committee for reassignment and accordingly this case was reassigned to the Honorable Judge HUBERT L. WILL. No date was set for trial. Additional investigation set forth.

b6
b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

CG 15-12848

[redacted] ttorney [redacted] and several other unidentified people met at Milano's Restaurant at State and Division Streets. They discussed the progress of the pending trial at Peoria and stated that they had recently obtained photographs of the cooler and whiskey room where approximately 400 cases of whiskey were allegedly stored by COVELLI. According to the conversation the rooms mentioned were physically too small to hold the amount of whiskey allegedly placed there by COVELLI. [redacted] and the others were very optimistic over the impact these photographs would have in the trial and they felt they could turn the trial against COVELLI as a government witness.

b6
b7C

- E* -
COVER PAGE

CG 15-12848

DETAILS: AT CHICAGO, ILLINOIS

Weekly conferences were held in the preparation of this matter for trial with Assistant United States Attorneys [redacted] beginning February 14, 1962, up to the trial period of March 27, 1962. During this time discussion was had concerning the location of prospective government witnesses in this matter along with other details in the preparation of a complex case of this type for trial. b6 b7C

Prosecution

Concerning the Whiskey Case - 60CR332

Assistant United States Attorney [redacted] advised on February 21, 1962, that the government was in receipt of correspondence from defense attorneys concerning the pending trial date of February 26, 1962, in Peoria, Illinois, advising in substance that certain defense attorneys, namely [redacted] and [redacted] were on trial, respectively, in United States District Court, Chicago and in state court. The government took this matter under consideration and advised that on February 26, 1962, when above motions were entered on behalf of the defense, the government would seek a trial date in March, 1962. b6 b7C

Assistant United States Attorney [redacted] advised Assistant United States Attorney [redacted] at Peoria, Illinois, concerning the above and Assistant United States Attorney [redacted] advised that Judge FREDERICK O. MERCER, United States District Court, Southern District of Illinois, at Peoria had reserved March, 1962, for pending trial in this matter and if same were agreeable to the government and defense trial would proceed on March 27, 1962. b6 b7C

Jury trial in this matter was held in United States District Court, Southern District of Illinois, before the Honorable Judge FREDERICK O. MERCER from March 27, 1962, to

April 24, 1962. The case was given to the jury on April 24, 1962. On the same date the jury returned a verdict of guilty against defendants JAMES ALLEGRETTI, [redacted] and FRANK LISCIANDRELLO on both counts in the indictment which is violations of Sections 371, 2 and 659, Title 18, United States Code. Judge MERCER deferred sentencing the defendants until filing and hearing of petitions by defense counsels on May 22, 1962, to set aside the jury's verdict. b6 b7C

On April 3, 1962, defense attorney [redacted] in behalf of defendant JOSEPH LISCIANDRELLO entered a motion for a mistrial in view of the ill health of LISCIANDRELLO or for continuance of this case for two or three weeks. Defense attorney [redacted] supported this motion with a physician's certificate reflecting that JOSEPH LISCIANDRELLO was confined at that time at the Ravenswood Hospital, Chicago, Illinois, in ill health due to a severe asthmatic attack, bronchial pneumonia and conjunctive heart failure. Assistant United States Attorney [redacted] advised the court that government physician's report confirmed in substance the ill health of LISCIANDRELLO, however held recovery at possibly two weeks. Thereafter, defense attorneys moved for a recess to discuss this matter and same was discussed by defense and prosecution in the judge's chambers. Thereafter, in open court, Judge MERCER ruled a mistrial in behalf of JOSEPH LISCIANDRELLO and trial was resumed as to the remaining defendants. b6 b7C

Regarding the Bribery Case - 60CR331

The bribery case which was assigned to Judge ROBSON was returned to the Executive Committee for reassignment and accordingly this case was reassigned to the Honorable Judge HUBERT L. WILL. No date was set for trial.

Investigation Conducted During Course of Trial and Prior Thereto Concerning the Whiskey Case

On March 22, 1962, it was ascertained that one of the prospective government witnesses in this matter, namely [redacted] who previously resided and b6 b7C

[redacted] was at that time [redacted] b6 b7C

The New York Division was requested to contact [redacted] as soon as possible and advise him that the general subpoena which he was under would be returnable in Peoria, Illinois, on April 2, 1962.

On March 26, 1962, the New York Division advised that [redacted] advised that [redacted] had checked out on March 24, 1962, leaving a forwarding address of [redacted] b6 b7C

On April 4, 1962, information was received from [redacted] Staff Writer for the "Chicago Daily News", advising that JAMES ALLEGRETTI might possibly use as a defense the fact that he was in Cedars of Lebanon Hospital, Los Angeles, California, from March 15 to April 17, 1958.

By correspondence dated April 4, 1962, the Los Angeles Office advised that on that date [redacted] Assistant Administrator, Cedars of Lebanon, 4833 Franklin Avenue, Los Angeles, California, advised SA THOMAS H. WALSH as follows: b6 b7C

A complete check of all index cards for the entire year of 1958 failed to reveal that JAMES ALLEGRETTI, also known as "The Monk", JAMES MILLO, JAMES POLICHERI, was a patient at this hospital. In addition, a check of the daily census sheets for the period March 17 to April 17, 1958, failed to reveal that ALLEGRETTI had been a patient at this hospital.

[redacted] advised that no subpoena had been received from Peoria, Illinois, for any records of said hospital pertaining to this defendant and that if same were received would immediately advise the Los Angeles Office of the FBI. b6 b7C

On April 6, 1962, a request was made by Assistant United States Attorney [redacted] to Fingerprint

CG 15-12848

Examiner [redacted] to telephonically contact the Latent Fingerprint Section in Washington, D.C. in an effort to determine whether or not fingerprints exist on one [redacted] and if so, to compare same with unidentified latent prints found on certain government exhibits in this matter.

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On April 8, 1962, information was received from the Latent Fingerprint Section of the FBI Laboratory to the effect that latent prints in this case were not identical with the fingerprints of [redacted] FBI Number [redacted]

FD-302 (Rev. 1-25-60)

FEDERAL BUREAU OF INVESTIGATION

Date April 11, 1962

[redacted] Advance Accounting Service, 5148 West Madison Street, who resides at [redacted] furnished the following information: b6 b7C

In approximately the early spring of 1959, prior to [redacted] received a telephone call from a person who identified himself as GERALD COVELLI, who requested an appointment with [redacted] for the purpose of retaining [redacted] to handle the accounting for his business. An appointment was arranged and on the same day, COVELLI, together with an unidentified male, appeared at the Advance Accounting Service and COVELLI stated, "I suppose you heard about the case; the liquor being found in the place". COVELLI went on to say it was his understanding that [redacted] was going with [redacted] was the one witness "they" were worrying about. COVELLI stated that he desired [redacted] told COVELLI he probably would not see [redacted] but if he saw her, he would give her the message; i.e., [redacted] about the matter. [redacted] opined that COVELLI may have been trying to locate [redacted] at this time, but [redacted] was unable to furnish COVELLI information concerning her whereabouts. b6 b7C

[redacted] concluded that he never saw or conversed with COVELLI again and that this was the only occasion he ever met the man. b6 b7C

b6 b7C

On 4/11/62 at Chicago, Illinois File # CG 15-12848

by SA [redacted] / sjb Date dictated 4/11/62

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

CG 15-12848

On April 10, 1962, a request was made of the Kansas City Division to check the records of the United States Penitentiary at Leavenworth, Kansas, pertaining to [redacted] was requested to forward a summary of the [redacted] Kansas City records of [redacted]. b6 b7C b7D

By correspondence dated April 13, 1962, the Kansas City Division forwarded a classification study prepared at the United States Penitentiary, Leavenworth, Kansas, regarding [redacted] Number [redacted] for assistance in this trial. b6 b7C b7D

It is to be noted that [redacted] appeared as one of the defense witnesses in the Peoria, Illinois, trial in this matter.

FD-302 (Rev. 1-25-60)

FEDERAL BUREAU OF INVESTIGATION

Date April 26, 1962

[redacted] at the Yorkshire Room in Sands Motel, Peoria, who resides at [redacted] furnished the following information. b6 b7C

He came to Peoria on about [redacted] where he has been ever since working at the YorkshireRoom of the Sands Motel. [redacted] He is working for [redacted] for [redacted] of the Yorkshire Room at the [redacted] and works for a corporation known as the Yorkshire Room Limited. b6 b7C

Before coming to Peoria, [redacted] worked at the [redacted] He worked there about [redacted] years. Prior to that time, for [redacted] years, he worked at the Yorkshire Room at the [redacted] as a [redacted] at the Yorkshire Room [redacted] b6 b7C

On another occasion he worked for [redacted] at the [redacted] At this time [redacted] was a [redacted] b6 b7C

With regard to his acquantance with the defendant in the case, [redacted] said that he was not acquainted with any of them except for [redacted] He has known [redacted] for about [redacted] years, since he first met him at the [redacted] and [redacted] On occasion [redacted] would [redacted] know [redacted] as well as [redacted] fairly well and always believed that [redacted] was a very good man. He claims that he had never heard anything about [redacted] being with the Chicago "outfit" until he read about [redacted] connection with the "outfit" in the newspapers since the trial started inPeoria. [redacted] said that he actually was shocked to hear that [redacted] was connected with the Chicago "outfit". [redacted] said that he meant by "outfit" the Chicago hoodlum gang. He said that he had worked on Rush Street in Chicago off and on from [redacted] at the Club Mona Lisa, the Pub and Prow, and other places, but has never worked anywhere where the "outfit" owned the place. He said that he never saw b6 b7C

On 4/16/62 at Peoria, Ill. File # SI 15-1943

by SA MARCUS E. SHARPE
SA [redacted] /vml Date dictated 4/23/62 b6 b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

[redacted] on Rush Street and had no reason to believe that he was conected with the "outfit". He said that he heard of JAMES ALLEGRETTI in Chicago, but had never seen him before he came to Peoria and had never seen any of the other defendants in this case in which JAMES ALLEGRETTI is a defendant.

b6
b7C

[redacted] said that he recalls the night of April 4, 1962, at about 9:30 PM in the Yorkshire Room of the Sands Motel in Peoria, and recalls the Government attorney, whom he later found was [redacted] was at a table in the corner of the barroom with two newspaper men whom he recognized and another tall man whom he could not identify. After seeing [redacted] at the table, he saw [redacted] standing at the corner of the bar with [redacted] talking to [redacted] He said he felt that there was a third person standing there, whom he described as a tall man. He heard [redacted] talking to [redacted] and it sounded like [redacted] was threatening [redacted] because of the tone of his voice. It sounded as if he was trying to talk [redacted] out of taking the stand. He recalled that [redacted] said to [redacted] "If you take the stand we will murder you". He felt as if [redacted] meant that the cross examination would be rough.

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That is about all the conversation he heard at the bar that night between [redacted] About 2 or 2½ hours later, [redacted] was at the bar and there were very few people in the room at this time. [redacted] was angry because he had been threatened by [redacted] and at this time [redacted] statement made [redacted] Nothing much more was said that night. Possibly a week later, and probably the night before [redacted] testified in the trial [redacted] and said [redacted] said that he did recall and at this point [redacted] asked [redacted] if the lawyer wanted him to. [redacted] said that he would testify because this is what he heard and besides that [redacted] was considered a friend of his. It was either that night or the night after that [redacted] delivered a subpoena to [redacted] thereafter testified. At all times when [redacted] was talking to [redacted] there was no third person present.

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[redacted] when first contacted and when the interview began, mentioned the fact that he had given some information on the stand that was not exactly right, but this was given innocently. It had to do with the fact as to whether [redacted] was in the Yorkshire Room of the Sands Motel on April 4, 1962. He said that he recalled that [redacted] was there that night and he automatically believed that [redacted] was not there, because she was usually not present when he was around. However, after [redacted] appeared in court, he talked to [redacted] and reconsidered and recalls now that [redacted] was at the Yorkshire Room of the Sands Motel on April 4, 1962. He said that he does not believe that [redacted] prior to the time [redacted] came to Peoria for trial, and he believes that he himself introduced her to [redacted]

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b7C

Prior to the time that [redacted] came to Peoria, for trial, [redacted] said that he had not seen him for possibly [redacted] years. He said that he testified as to what he heard and could furnish nothing further.

b6
b7C

FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
MAY 23 1962

TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 5-23-62 1-01 AM TN

TO DIRECTOR, FBI 15-38700

FROM SAC CHICAGO 15-12848

GERALD COVELLI ~~ET AL~~ AND OTHERS, ~~TFIS~~ Theft from Interstate Shipment DASH CONSPIRACY., BRIBERY., MISPRISION OF FELONY., OBSTRUCTION OF JUSTICE.

ON MAY TWENTY TWO NINETEEN SIXTYTWO, UNITED STATES DISTRICT JUDGE FREDERICK O. MERCER, PEORIA, ILLINOIS DENIED ALL MOTIONS MADE BY DEFENSE COUNCIL IN THIS MATTER ON THE PART OF DEFENDENT-S CAPTIONED CASE NAMELY, ALLEGRETTI, [redacted] FRANK LISCIANDRELLO AND [redacted]

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b7C

THE MOTIONS THAT WERE FILED ON APRIL TWENTY SEVEN NINETEEN SIXTY TWO ARE.,

ONE. POST TRIAL MOTION TO SET ASIDE VERDICT OF GUILTY AND JUDGEMENT BY DEFENDENT [redacted]

b6
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TWO. MOTION FOR NEW TRIAL BY ALL DEFENDENTS.

THREE. MOTION FOR JUDGEMENT OF ACQUITTAL NOTWITHSTANDING VERDICT BY ALL DEFENDENTS.

JUDGE MERCER ORDERED PRESENTENCE INVESTIGATION AND CASE CONTINUED FOR FINAL JUDGEMENT UNTIL JUNE TWENTY SIX NINETEEN SIXTYTWO.

REC-16 15-38700-219

EX-105

MOTION TO SET TRIAL FOR DEFENDENT JOSEPH LISCIANDRELLO WAS CONTINUED AND NO DATE HAS BEEN SET FOR TRIAL AND THIS MATTER IS TO BE HANDLED BY UNITED STATES ATTORNEY, CHICAGO.

BUREAU WILL BE KEPT APPRISED OF PERTINENT DEVELPOMENTS.

END AND ACK PLS

60 JUN 1 1962
FBI
RECEIVED-DIRECTOR
FBI
5 MAY 28 1962

2-05 AM OK FBI WA BH

RECEIVED-EVANS
MAY 23 6 07 PM '62

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
MAY 24 4 13 PM '62

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
MAY 24 3 02 PM '62

REC'D DE LOACH
F B I
MAY 23 3 18 PM '62

F B I
U.S. DEPT. OF JUSTICE

F.B.I.
U.S. DEPT. OF JUSTICE
MAY 23 8 15 AM '62

F. B. I.
U.S. DEPT. OF JUSTICE

REC'D-CRIMINAL
F B I
MAY 23 7 33 AM '62

REC'D-TELETYPE UNIT
F B I
MAY 23 2 05 AM '62

REC-D BELMONT
FBI-JUSTICE

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MAY 23 4 39 AM '62

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U.S. DEPT. OF JUSTICE

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MAY 23 2 42 AM '62

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MAY 23 2 26 PM '62

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FBI

RECEIVED-DIRECTOR
FBI
MAY 23 8 31 AM '62

REC-D BELMONT
FBI-JUSTICE
MAY 23 2 28 PM '62

GENERAL INVESTIG[illegible]VISION

23-62

The trial of this case began in Peoria, Illinois, on 3-27-62 and was concluded on 4-24-62. It was concerned with the possession of whiskey stolen from an interstate shipment in 1957 by four hoodlums in the Chicago area. All Subjects found guilty.

The attached teletype indicates that all motions made by the Defense Counsel have been denied and a pre-sentence investigation has been ordered by the Judge. Date for sentencing set for 6-26-62.

DBS

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
JUN 25 1962

TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. Malone
Mr. Evans
Mr. Mohr
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 6-25-62 8-02PM RHK

TO DIRECTOR, FBI /15-38700/

FROM SAC, CHICAGO /15-12848/ 1P

THEFT FROM INTERSTATE SHIPMENT OBSTRUCTION OF JUSTICE

GERALD COVELLI., ET AL. ~~TFIS~~ DASH CONSPIRACY., BRIBERY., ~~OOJ.~~, MISPRISON OF FELONY.

ON JUNE TWENTY FIVE INSTANT AUSA [redacted] REQUESTED THAT SA [redacted] BE PRESENT AT PEORIA, ILL., ON JUNE TWENTY SIX NEXT FOR THE SENTENCING OF THE SUBJECTS IN CAPTIONED CASE. [redacted] STATED THAT IN THE EVENT ANY OF THE DEFENDANTS MAKE ANY REMARKS CRITICAL OF THE BUREAU HE DESIRED TO HAVE SA [redacted] PRESENT SO THAT HE COULD REFUTE ANY ALLEGATIONS. SA [redacted] WILL BE PRESENT AT USDC, PEORIA, 844, AS REQUESTED, UACB.

b6
b7C

END AND ACK PLS

EX-108
REC-18

15-38700-221

LAST WORD, LAST LINE SHD BE "ILLINOIS"

END AND ACK PLS

12 JUN 28 1962

WA 9-06 PM OK FBI WA DA

TU DISC

56 JUL 10 1962

5

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DIVISION

JUN 25 10 04 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

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JUN 25 9 06 PM '62

JUN 28 12 42 PM '62

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DIVISION

RECEIVED-DIRECTOR

JUN 27 8 24 PM '62

JUN 26 8 28 AM '62

JUN 26 8 33 AM '62

U. S. DEPT. OF JUSTICE

REC'D-BELMONT
F B I-JUSTICE

JUN 27 1 01 PM '62

REC'D-CRIMINAL SEC.
F B I

JUN 26 7 39 AM '62

REC'D-CRIMINAL SEC.
F B I

REC'D-ROSEN
FBI

JUN 27 11 56 AM '62

JUN 26 2 16 PM '62

RECEIVED-TOLSON
F. B. I.

REC'D-DE LOACH
F B I

JUN 26 4 11 PM '62

JUN 26 3 09 PM '62

REC'D-BELMONT
F B I-JUSTICE

RECEIVED-EVANS
JUN 26 5 44 PM '62
F B I
U.S. DEPT. OF JUSTICE

FD-36 (Rev. 12-13-56)

FBI

Date: 5/25/62

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

Transmit the following in _____ (Type in plain text or code)

Via AIRTEL _____ (Priority or Method of Mailing)

TO : DIRECTOR, FBI (15-38700)

FROM : SAC, CHICAGO (15-12848)

SUBJECT: GERALD COVELLI;
ET AL
TFIS

Remytel, dated 5/22/62.

AUSA [redacted] advised on 5/24/62 that on 5/23/62 the following defendants appeared for plea and arraignment before the Honorable Judge HUBERT L. WILL, USDC, Chicago, Illinois, regarding the bribery case (60CR331):

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b7C

JOSEPH DI VARCO represented by Council [redacted]

[redacted] represented by Attorney [redacted] [redacted] indicated he was attorney of record for plea and arraignment only.)

[redacted] indicated that his attorney for trial purposes would be [redacted]

All three defendants entered pleas of not guilty and Judge WILL set a period of sixty days for defendants to file motions which would be up to July 22, 1962, and ten days thereafter for Government to reply after which the court would render a decision on said motions and if these motions were overruled, a trial date would be set at that time.

REC-9 15-38700-220 5 MAY 28 1962

Bureau will be kept apprised of pertinent developments.

EX. - 102

GALE

(3) - Bureau
1 - Chicago

WDW/JVR
(4)

C. C. Wick

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

62 MAY 31 1962

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DIVISION

MAY 28 10 20 AM '62

F. B. I.
U. S. DEPT. OF JUSTICE

MAY 28 1 12 PM '62

REC'D-CRIMINAL SEC.
F B I

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

MAY 28 1 58 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

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GENERAL INVESTIGATIVE
DIVISION

MAY 27 11 33 AM '62

REC'D - ROSEN
FBI

MAY 28 12 37 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

GENERAL INVESTIGA[redacted]ISION
D[redacted]-62

The trial of this case began in Peoria, Illinois, on 3-27-62 and was concluded 4-24-62. It concerned possessionof whiskey stolen from an interstate shipment in 1957 by four Chicago area hoodlums. All subjects found guilty.

This is the case wherein the Assistant U. S. Attorneys in Chicago threatened to expose [redacted] however, his testimony was not utilized at the trial.

b6
b7C
b7D

Subjects to be sentenced 6-26-62. SA [redacted] will be present in U. S. District Court as requested by Assistant U. S. Attorney to refute any allegations if such are made by the subjects.

3 (Rev. 5-1-59)

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE	OFFICE OF ORIGIN	DATE	INVESTIGATIVE PERIOD
CHICAGO	CHICAGO	6/28/62	5/22 - 6/27/62

TITLE OF CASE

GERALD COVELLI; [redacted]

FUGITIVE; ET AL

REPORT MADE BY [redacted]

TYPED BY Mabh

CHARACTER OF CASE

TFIS - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISON OF FELONY

b6 b7C

REFERENCE: Report of SA [redacted] dated 5/18/62 at Chicago.

- P -

ENCLOSURES: **TO THE BUREAU:**

Three (3) copies of parole report for subject JAMES ALLEGRETTI.

Three (3) copies of parole report for subject [redacted]

Three (3) copies of parole report for subject [redacted]

Three (3) copies of parole report for subject FRANK LISCIANDRELLO.

One (1) copy of disposition sheet for subject JAMES ALLEGRETTI.

b6 b7C

APPROVED SPECIAL AGENT IN CHARGE

DO NOT WRITE IN SPACES BELOW

15-38700 222 REC-32

EX-115

25 JUL 2 1962

COPIES MADE:

1 - Bureau (15-38700) (Encls. 16)
1 - USA, Chicago
3 - [redacted] (INFO)
1 - 47-2584
1 - USA, [redacted]
1 - Springfield (15-1943) (INFO)
2 - Chicago (15-12848)

12 ENCLOSURE

b7D

DISSEMINATION RECORD OF ATTACHED REPORT

AGENCY	2CC each parole rept - Bur of Prisons			
REQUEST RECD.				
DATE FWD.	7/10/62			
HOW FWD.	O-6			
BY	JG Eckert			

NOTATIONS

53 JUL 31 1962

U.S. GOVERNMENT PRINTING OFFICE 16—76324-1

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE	OFFICE OF ORIGIN	DATE	INVESTIGATIVE PERIOD
CHICAGO	CHICAGO	6/28/62	5/22 - 6/27/62

TITLE OF CASE

[redacted]

REPORT MADE BY

[redacted]

TYPED BY

MJBM

CHARACTER OF CASE

TFM - CONSPIRACY; OBSTRUCTION OF JUSTICE; MURDER; INTERFERENCE OF ENFORCEMENT

b7c
b6

SYNOPSIS OF FACTS:

[redacted]

DEFENDANT CONTACTED:

[redacted]

REFERENCE: Report of SA [redacted] dated 5/18/62 at Chicago.

- P -

ENCLOSURES: TO THE BUREAU:

Three (3) copies of parole report for subject JAMES ALLEGRETTI.

Three (3) copies of parole report for subject [redacted]

Three (3) copies of parole report for subject [redacted]

Three (3) copies of parole report for subject FRANK LISCIANDRELLO.

One (1) copy of disposition sheet for subject JAMES ALLEGRETTI.

b7c
b6

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JUL 16 3 29 PM '62
F B I
VOUCHER-STATISTICAL SEC.

COPIES MADE:

2 - Chicago (105-8248)
1 - Springfield (105-[illegible])
1 - Dallas (105-[illegible])
1 - Detroit (105-[illegible])
1 - USA, Chicago
3 [redacted] (INFO)
1 - Detroit (15-38700) (Encl. 16)

b7D

RECEIVED
GENERAL INVESTIGATIVE DIVISION
JUL 30 10 57 AM '62
FBI

One (1) copy of disposition sheet for subject [redacted]

One (1) copy of disposition sheet for subject [redacted]

One (1) copy of disposition sheet for subject FRANK LISCIANDRELLO. b6 b7C b7D

LEADS

[redacted]

AT [redacted] - INFORMATION.

One copy of this report are being designated for the [redacted] Division for information purposes in view of the fact that GERALD COVELLI is the subject of an impersonation case in that Division, which case is currently in a pending inactive status awaiting the outcome of prosecutive action in Chicago. Also, one copy is designated for [redacted] in view of the fact that [redacted] in this matter. One copy is also designated for Assistant United States Attorney [redacted] who advised that his office is desirous of proceeding against COVELLI on the pending impersonation charge after prosecutive action is completed at Chicago. b6 b7C b7D

SPRINGFIELD

AT SPRINGFIELD, ILLINOIS - INFORMATION

One copy of this report is being designated for the Springfield Division for information purposes in view of the fact that the trial was held in that area. It is also noted that all Government exhibits, including several cases of whiskey are in the court's custody at Peoria, Illinois.

CG 15-12848

CHICAGO

AT CHICAGO, ILLINOIS. 1. Follow and report prosecutive action in this matter and maintain close contact with Assistant United States Attorney [redacted] who is handling this matter. b6 b7C

2. Review file and concentrate attention on the bribery phase of captioned case with a view of preparing same for trial, which, according to Assistant United States Attorneys, may be set for the fall of this year.

FD-204 (Rev. 3-3-59)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago
1 - USA, [redacted]

Report of: SA [redacted] Office: Chicago
Date: June 28, 1962

b6
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Field Office File No.: 15-12848 Bureau File No.: 15-38700

Title: GERALD COVELLI;
[redacted]

Character: THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISON OF FELONY

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Synopsis:

On 5/22/62 USDCJ FREDERICK O. MERCER denied all motions on the part of defendants JAMES ALLEGRETTI, [redacted] and FRANK LISCIANDRELLO. Judge MERCER ordered presentence investigation and case continued for final judgement until 6/26/62 at 11:00 AM. Motion to set trial for defendant JOSEPH LISCIANDRELLO was continued and no date set and is to be handled by USA, Chicago. Subjects ALLEGRETTI, [redacted] and FRANK LISCIANDRELLO represented by their respective counsels, appeared in USDC, Peoria, Illinois, on 6/26/62, before Federal Judge MERCER and received the following sentences in violation of Title 18, USC, Sections 371, 2 and 659. JAMES ALLEGRETTI, LOUIS [redacted] and FRANK LISCIANDRELLO were each sentenced to the custody of the Attorney General of the United States for a period of 5 years and fined $3,000. This was on Conspiracy, Section 371, Title 18, USC. ALLEGRETTI, [redacted] and LISCIANDRELLO were each sentenced to the custody of the Attorney General of the United States for a period of 7 years on possession of goods stolen from an interstate shipment in violation of Sections 2 and 659, Title 18, USC. Sentences to run concurrently. Regarding the bribery case (60CR331) on 5/23/62, subjects JOSEPH DI VARCO, [redacted] and [redacted] appeared in USDC, Chicago, Illinois, before Judge HUBERT L. WILL, at which time all three defendants entered pleas of not guilty and Judge WILL set a term of 60 days for filing of motions, thereafter, if said motions were overruledd trial would be set. Eight convictions and $12,000 fines.

JUL 24 11 54 AM '62

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CG 15-12848

DETAILS:

Prosecution

Concerning the Whiskey
Case 60CR332

AT PEORIA, ILLINOIS

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On May 22, 1962, SA [redacted] advised that defendants JAMES ALLEGRETTI, [redacted] and FRANK LISCIANDRELLO represented by their respective counsels, appeared in United States District Court (USDC), Southern District of Illinois (SDI), Peoria, Illinois, on that date before United States District Judge (USDJ) FREDERICK O. MERCER, at which time Judge MERCER denied all motions on the part of the defendants.

The motions that were filed on April 27, 1962, and which were denied on that date, are as follows:

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1. Post-trial motion to set aside verdict of guilty and judgement by defendant [redacted]

2. Motion for new trial by all defendants.

3. Motion for judgement of acquittal notwithstanding the verdict by all defendants.

Judge MERCER ordered a presentence investigation and the case was continued for final judgement until June 26, 1962, at 11:00 AM.

The motion to set trial for defendant JOSEPH LISCIANDRELLO was continued and no date was set, this matter to be handled by United States Attorney, Chicago.

Subjects JAMES ALLEGRETTI, [redacted] and FRANK LISCIANDRELLO, represented by their respective counsels, appeared in United States District Court, Peoria, Illinois, on June 26, 1962, before Federal Judge FREDERICK O. MERCER and received the following sentences in violation of Title 18, United States Code, Sections 371, 2 and 659. ALLEGRETTI, [redacted] and FRANK LISCIANDRELLO were each sentenced to the custody of the Attorney General of the United States for a period of five years and fined $3,000 each. The above sentence was on the conspiracy, Section 371, Title 18, United States Code. b6 b7C

ALLEGRETTI, [redacted] and FRANK LISCIANDRELLO were each sentenced to the custody of the Attorney General for a period of seven years. This sentence was on possession of goods stolen from an interstate shipment, Sections 2 and 659, Title 18, United States Code. Sentences for all subjects were to run concurrently.

Current bonds posted by the respective defendants were discussed by Government and defense attorneys before USDJ MERCER, at which time the court ruled that the new bonds in behalf of all defendants would be $6,000 each, which would be surety bonds on the part of all defendants with the exception of [redacted] who was allowed to negotiate a real estate bond. All bonds to stand in this matter pending appeals. b6 b7C

Regarding the Bribery
Case 60CR331

On May 23, 1962, subjects JOSEPH DI VARCO, [redacted] and [redacted] appeared in USDC, Chicago, Illinois, before Federal Judge HUBERT L. WILL for plea and arraignment. Attorney [redacted] was present in behalf of defendant DI VARCO. Defendant [redacted] at that time indicated that his attorney of record would be [redacted] Defendant [redacted] stated that his attorney of record for plea and arraignment only was [redacted] b6 b7C

All three subjects entered pleas of not guilty and Judge WILL set a term of 60 days for defendants to file motions and ten days thereafter for the Government to reply, after which the court would render a decision on said motions, at which time, if these motions were overruled, the court would set a date for trial.

FEDERAL BUREAU OF INVESTIGATION

Form No. 2

THIS CASE ORIGINATED AT CHICAGO XXXXXX

REPORT MADE AT:	DATE WHEN MADE:	REPORT MADE BY:
CHICAGO	6/28/62	[redacted] Mabh

b6
b7C

NAME OF CONVICT WITH ALIASES: [redacted] aka [redacted]

VIOLATION: THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY

PAROLE REPORT

OUTLINE OF OFFENSE

During the period December 28 - 30, 1957, a trailer, property of Indianapolis Forwarding Company, Chicago, containing 875 cases of one-half pint bottles of Sunnybrook Whiskey moving in interstate commerce, was stolen. Trailer was recovered abandoned with entire contents removed on January 2, 1958. During period of December 30, 1957, to April 1, 1958, convict with five accomplices conspired to receive aforesaid whiskey and was subsequently charged with possessing 34 cases of above whiskey which was recovered on March 17, 1958, from three Chicago taverns, namely, the Cafe Continental, the Silver Dome Lounge and the Flame Tavern.

Prosecution was initiated and on June 30, 1960, a superseding indictment by the March, 1960, Grand Jury was filed in United States District Court, Chicago, charging convict with conspiracy and possessing goods stolen from an interstate shipment.

On February 17, 1961, convict appeared before United States District Judge JULIUS J. MINER at the United States District Court, Northern District of Illinois, Eastern Division, Chicago, and in open court waived reading of the indictment and entered a plea of not guilty requesting leave to file motions.

(DO NOT WRITE IN THESE SPACES)

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FEDERAL BUREAU OF INVESTIGATION

Form No. 2

THIS CASE ORIGINATED AT CHICAGO XXXXX

REPORT MADE AT:	DATE WHEN MADE:	REPORT MADE BY:
CHICAGO	6/28/62	[redacted] :Mabh

b6
b7C

NAME OF CONVICT WITH ALIASES: [redacted]

VIOLATION: THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY

PAROLE REPORT

OUTLINE OF OFFENSE

During the period December 28 - 30, 1957, a trailer, property of Indianapolis Forwarding Company, Chicago, containing 875 cases of one-half pint bottles of Sunnybrook Whiskey moving in interstate commerce, was stolen. Trailer was recovered abandoned with entire contents removed on January 2, 1958. During period of December 30, 1957, to April 1, 1958, convict with five accomplices conspired to receive aforesaid whiskey and was subsequently charged with possessing 34 cases of above whiskey which was recovered on March 17, 1958, from three Chicago taverns, namely, the Cafe Continental, the Silver Dome Lounge and the Flame Tavern.

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ENCLOSURE

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U. S. GOVERNMENT PRINTING OFFICE 16—51261-2

On January 8, 1962, one of convict's motions for change of venue to another district because of attendant publicity, Chicago, was granted and this matter was transferred by the Honorable Judge HUBERT L. WILL, Chicago, to the Southern District of Illinois.

Jury trial in this matter was held in United States District Court, Southern District of Illinois, at Peoria, Illinois, before the Honorable Judge FREDERICK O. MERCER from March 27, 1962, to April 24, 1962. The case was given to the jury April 24, 1962, and on the same date the jury returned a verdict of guilty against convict and accomplices on both counts in the indictment, which is violation of Sections 371, 2 and 659, Title 18, United States Code.

On June 26, 1962, convict appeared before United States District Judge MERCER at the United States District Court, Southern District of Illinois, at Peoria, Illinois, for disposition. He was sentenced by Judge MERCER to five years in the custody of the United States Attorney General and fined $3,000 on the conspiracy (Section 371, Title 18, United States Code). Convict was sentenced to seven years in the custody of the United States Attorney General on Count Two (possession of goods stolen from an interstate shipment, violation of Sections 2 and 659, Title 18, United States Code). Sentences were to run concurrently.

AGGRAVATING OR MITIGATING CIRCUMSTANCES

There are no known mitigating circumstances.

On January 8, 1962, one of convict's motions for change of venue to another district because of attendant publicity, Chicago, was granted and this matter was transferred by the Honorable Judge HUBERT L. WILL, Chicago, to the Southern District of Illinois.

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AGGRAVATING OR MITIGATING CIRCUMSTANCES

There are no known mitigating circumstances.

FEDERAL BUREAU OF INVESTIGATION

Form No. 2

THIS CASE ORIGINATED AT CHICAGO XXXXXX

REPORT MADE AT:	DATE WHEN MADE:	REPORT MADE BY:
CHICAGO	6/28/62	[redacted] Mabh

b6
b7C

NAME OF CONVICT WITH ALIASES:

JAMES ALLEGRETTI (True Name JAMES POLICHERI), aka Monk Allegretti, James Millo

VIOLATION:

THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY

PAROLE REPORT

Outline of Offense

During of period December 28 - 30, 1957, a trailer, property of Indianapolis Forwarding Company, Chicago, containing 875 cases of one-half pint bottles of Sunnybrook Whiskey moving in interstate commerce, was stolen. Trailer was recovered abandoned with entire contents removed on January 2, 1958. During period of December 30, 1957, to April 1, 1958, convict with five accomplices conspired to receive aforesaid whiskey and was subsequently charged with possessing 34 cases of above whiskey which was recovered on March 17, 1958, from three Chicago taverns, namely, the Cafe Continental, the Silver Dome Lounge and the Flame Tavern.

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U. S. GOVERNMENT PRINTING OFFICE 16—51261-2

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Aggravating or Mitigating Circumstances

There are no known mitigating circumstances.

FEDERAL BUREAU OF INVESTIGATION

Form No. 2

THIS CASE ORIGINATED AT CHICAGO

REPORT MADE AT:	DATE WHEN MADE:	REPORT MADE BY:
CHICAGO	6/28/62	[redacted] Mabh

b6
b7C

NAME OF CONVICT WITH ALIASES: FRANK LISCIANDRELLO, aka "Hot Dog", Frank Drello, Frank C. Lisciandrello, Frank Liscandrello, Frank Lisceandrello, Frank Lisciandrallo, Frank Liscindrello, Frank Lisciondrella

VIOLATION: THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY

PAROLE REPORT

OUTLINE OF OFFENSE

During the period December 28 - 30, 1957, a trailer, property of Indianapolis Forwarding Company, Chicago, containing 875 cases of one-half pint bottles of Sunnybrook Whiskey moving in interstate commerce, was stolen. Trailer was recovered abandoned with entire contents removed on January 2, 1958. During period of December 30, 1957, to April 1, 1958, convict with five accomplices conspired to receive aforesaid whiskey and was subsequently charged with possessing 34 cases of above whiskey which was recovered on March 17, 1958, from three Chicago taverns, namely, the Cafe Continental, the Silver Dome Lounge and the Flame Tavern.

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AGGRAVATING OR MITIGATING CIRCUMSTANCES

There are no known mitigating circumstances.

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
JUN 26 1962

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. Deloach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

Gamble

TELETYPE

URGENT 6-26-62 12-35 PM MAK

TO DIRECTOR, FBI /15-38700/

FROM SAC, CHICAGO /15-12848/ 1P

Obstruction of Justice

Theft from Interstate Shipment

GERALD COVELLI., ET AL. TFIS DASH CONSPIRACY., BRIBERY., OOJ., MISPRISON OF FELONY.

[redacted] JAMES ALLEGRETTI AND FRANK LISCIANDRELLO

US District Judge

SENTENCED IN USDC, PEORIA, ILLINOIS, BY USDJ MERCER SIX TWENTY SIX INSTANT TO FIVE YEARS AND THREE THOUSAND DOLLAR FINE EACH ON CONSPIRACY CONVICTION AND SEVEN YEARS EACH ON POSSESSION COUNT, SECTION SIX FIVE NINE, TITLE EIGHTEEN, USC, TO RUN CONCURRENTLY [redacted] AND ALLEGRETTI RELEASED ON SIX THOUSAND DOLLAR APPEAL BONDS. LISCIANDRELLO IN CUSTODY STATE AUTHORITIES.

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15-38700-223

REC 52 7-3

END AND ACK PLS

EX-115

1-38 PM OK FBI WA ENT

56 JUL 10 1962

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F.B.I.

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DIVISION
F B I
JUN 26 '62

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DIVISION
JUN 28 1 00 PM '62

JUN 27 4 45 PM '62

JUN 26 2 19 PM '62

JUN 26 2 16 PM '62

JUN 28 4 56 PM '62

JUN 26 3 35 PM '62

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JUN 27 3 05 PM '62

JUN 27 11 40 AM '62

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DIVISION

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FBI
JUN 26 5 19 PM '62

REC'D-CRIMINAL SEC.
F B I
JUN 27 2 45 PM '62

REC-D BELMONT
F B I - JUSTICE
JUN 26 3 46 PM '62

REC-D BELMONT
F B I - JUSTICE

JUN 26 2 55 PM '62

REC'D DE LOACH
F B I
JUN 26 5 52 PM '62

GENERAL INVESTIGATIVE DIVISION

DATE 6/26/62

The trial of this case began in Peoria, Illinois, on 3/27/62 and was concluded 4/24/62. It concerned possession of whiskey stolen from an interstate shipment in 1957 by four Chicago area hoodlums. All subjects found guilty.

This is the case wherein the Assistant U. S. Attorneys in Chicago threatened to expose [redacted] however, his testimony was not utilized at the trial

b6
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Attached sets forth sentences of subjects.

FD-36 (Rev. 12-13-56)

FBI

Date: 8/1/62

Transmit the following in _____
(Type in plain text or code)

Via Airtel _____
(Priority or Method of Mailing)

TO: DIRECTOR, FBI (15-38700)

FROM: SAC, CHICAGO (15-12848)

SUBJECT: GERALD COVELLI; [redacted] FUGITIVE; [redacted]
ET AL
TFIS-CONSPIRACY;OOJ; BRIBERY;
MISPRISON OF FELONY

b6
b7C

Rerep of SA [redacted] at Chicago dated 6/28/62.

b6
b7C
b7D

AUSA [redacted], Chicago, advised on 7/13/62 that on that date [redacted] one of the main Government witnesses in captioned matter) had been released on bond and it was [redacted] intention to reside in the [redacted] area pending his availability in the forthcoming Bribery trial.

INS, Chicago, presently investigating possibility of deportation proceedings against JAMES ALLEGRETTI.

On 7/30/62, AUSA [redacted] advised that as of that time no date had been set concerning the Bribery Case (60CR331).

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Bureau will be apprised of pertinent subsequent developments.

3 - Bureau
1 - Chicago
WDW:Jel
(4)

15-38700-224

EX-1

REC-29

5 AUG 3 1962

57 AUG 16 1962

C C - Wick

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

FBI
U. S. DEPT. OF JUSTICE

AUG 3 4 14 PM '62

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GENERAL INVESTIGATIVE
DIVISION

AUG 3 11 52 AM '62

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SPECIAL INVESTIGATIVE
DIVISION

F. B. I.
U. S. DEPT. OF JUSTICE

AUG 6 1962

United States Department of Justice

UNITED STATES ATTORNEY
SOUTHERN DISTRICT OF ILLINOIS
SPRINGFIELD, ILLINOIS

NORTHERN DI
PEORIA,
Box

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

July 18, 1962

Honorable J. Edgar Hoover
Director
Federal Bureau of Investigation
Washington 25, D. C.

Dear Mr. Hoover:

During the past four months, it has been my pleasure to be associated in the prosecution of the case against James Allegretti, Frank Lisciandrello, [redacted] which resulted in the conviction of these people on charges of conspiracy and possession of goods stolen from an interstate shipment.

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During the course of this trial, I had the opportunity to observe the work of Special Agent [redacted] and I am taking this opportunity to express to you my gratitude for his efforts. His trial preparation, his orderly accumulation of evidence, and his testimony were such as to commend him. Other observors in the Courtroom have stated that he was the key witness leading to conviction.

I would again welcome being associated with Agent Weatherwax in the prosecution of a case.

Respectfully yours,

[redacted]

Assistant U. S. Attorney

REE:can

CC: James H. Gale
Special Agent in Charge
Federal Bureau of Investigation
Chicago, Illinois

62-65958-59

ORIGINAL FILED IN

EXP. PROC.

36 JUL 20 1962

65-38700-

NOT RECORDED
141 JUL 30 1962

25 JUL 27 1962

50 AUG 6 1962

JUL 30 1962

OPTIONAL FORM NO. 10
5010-104-01

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (47-47888) (15-38700)

DATE: 9/26/62

FROM : SAC, [redacted] (47-2584) (P*)

SUBJECT: GERALD COVELLI; [redacted] FUGITIVE; ET AL
TFIS-CONSPIRACY
OBSTRUCTION OF JUSTICE;
BRIBERY; MISPRISON OF FELONY
(OO:CHICAGO)

b6
b7C
b7D

On 9/21/62 the Chicago Office advised that [redacted] is presently incarcerated in [redacted] the [redacted] in his present status, has served approximately nine months over the expiration of his sentence [redacted] case in [redacted]

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AUSA, Chicago, has advised that when COVELLI is sentenced on a pending Federal matter; that is the TFIS-Conspiracy case and the Bribery Case, this time would be applied on whatever sentence he might receive.

The Bribery case presently pending in the Chicago Division has been called upon on the court's motion and it is anticipated that a trial date will be set regarding this matter in the near future. At this trial [redacted]

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b7D

2-Bureau
2-[redacted]

JSP/gb
(4)

15-38700-
NOT RECORDED
78 OCT 2 1962

U.S. DEPT. OF JUSTICE
F.B.I.

OCT 2 1962

53 OCT 4 1962

ORIGINAL FILED IN 47-47888

IN REPLY REFER TO INITIALS AND NUMBER

United States Department of Justice

UNITED STATES ATTORNEY
NORTHERN DISTRICT OF ILLINOIS
450 UNITED STATES COURTHOUSE
CHICAGO

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

September 6, 1962

Honorable J. Edgar Hoover
Director, Federal Bureau of
Investigation
Department of Justice
Washington 25, D. C.

Dear Mr. Hoover:

Gerald

I wish to call to your attention the excellent work of your Special Agent [redacted] of the Chicago office in the matter of the United States v. Covelli, Allegretti, et al, Case No. 60 CR 332. Your Agent pursued this matter through four years of intense investigation making it possible to convict among others James "The Monk" Allegretti, a key syndicate figure on Chicago's near North Side.

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b7C

Special Agent [redacted] worked diligently on this matter and was of an inestimable aid to the prosecution. He maintained contact with underworld figures which in the last analysis provided the margin of victory and shattered the fabricated defense of one of the defendants.

His ability as a truthful, calm, dispassionate witness, was so clear and convincing that his testimony alone destroyed the fabricated defense of the defendants. He has outstanding ability and is a credit to you and your organization.

I have taken the liberty to call this Agent's action to the attention of the Attorney General in this most important case and I am enclosing herewith a copy of my letter to him.

Very truly yours,

JAMES P. O'BRIEN,
United States Attorney

Enclosure

62-58874-398

ORIGINAL FILED IN

115-38700

NOT RECORDED
199 SEP 24 1962

EXP. PROC.

SEP 10 1962

RECEIVED - SEC'Y

58 OCT 1 1962

SEP 24 1962

25 SEP 21 1962

01-CG-9-28-62
rep W/B sub. 10-11-62
270

IN REPLY REFER TO INITIALS AND NUMBER

States Department of

UNITED STATES ATTORNEY
NORTHERN DISTRICT OF ILLINOIS
450 UNITED STATES COURTHOUSE
CHICAGO

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Malone
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

September 6, 1962

Honorable J. Edgar Hoover,
Director, Federal Bureau of
Investigation
Department of Justice
Washington 25, D. C.

Dear Mr. Hoover:

Gerald

I wish to call to your attention the fine work of your Special Agent John Oitzinger of the Chicago Office of the Federal Bureau of Investigation in the matter of the United States v. Covelli, Allegretti, et al, Case No. 60 CR 332. This Agent has been attached to the investigation and prosecution of this case since its inception four years ago. Throughout this period of time, his attention to detail and outstanding cooperation with my office has been of the highest order. In particular, I wish to commend him to you for his assistance to my office during the five-week trial in Peoria, Illinois. I am informed that his work in this regard was outstanding. In addition, he appeared as a witness for the government. Under intense cross-examination by four defense counsel, his knowledge of the facts and his dispassionate approach was extremely forceful for the prosecution.

I have taken the liberty to call this Agent's action to the attention of the Attorney General in this most important case and I am enclosing herewith a copy of my letter to him.

15-38700

NOT RECORDED
199 SEP 24 1962

Very truly yours,

James P. O'Brien

JAMES P. O'BRIEN,
United States Attorney

Enclosure

ENCLOSURE

Mailing List
Changes Noted

SEP 20 1962

63 SEP 27 1962

EVA:lmc/mlh/mlh

ORIGINAL FILED IN

SEP 10 1962

Bulky Exhibit - Inventory, o[redacted]ed as Evidence
FD-192 (Rev. 12-5-58)

[redacted]

[redacted]

~~August 1, 1962~~

☐ *Check, when submitting semiannual inventory, if no previous correspondence with Bureau.*

Bufile	Field Division
15-38700	CHICAGO

b6
b7C

Title and Character of Case

GERALD COVELLI; [redacted]
FUGITIVE; ET AL
TFIS - CONSPIRACY; OOJ; MISPRISION OF FELONY

Date Property Acquired	Source From Which Property Acquired
2/28/58	[redacted] on the [redacted]

b6
b7C

Location of Property or Bulky Exhibit	Reason for Retention of Property and Efforts Made to Dispose of Same
Bulky Exhibit Room	Evidence to be destroyed on completion of trial.

Description of Property or Exhibit and Identity of Agent Submitting Same

Submitted by SA OTTO T. HANDWERK

1 — 11½" Butcher knife, 7" stainless steel blade with wood handle, printed on blade "Goodell Company."

17 — Pieces of brown cardboard with torn edges. Each piece contained black stencil printing "Gold Seal Liq's Chicago, Illinois"

17 — Pieces of brown cardboard with torn edges. Each piece contained black stenciling "Whiskey" and each piece had a number as follows:

J 589084	J 589319	J 589058	J 589075
J 589411	J 589067	J 589553	J 589198
J 589060	J 589746	J 589196	J 589301
		J 589066	J5589056
		J 589057	J 589190
		J 589560	

JHL:njs/dmj
(5)

15-38700-
NOT RECORDED
10 AUG 13 1962

Field File # 15-12848-1B6

51 AUG 15 1962

21 AUG 12 1969

12-1389B-1B8

AUG 14 9 40 AM '69

F.B.I.
U.S. DEPT. OF JUSTICE

(2)
THL:nts\mb

		1 289020	
		1 289021	1 289160
		1 289022	1 289000
1 289060	1 289179	1 289161	1 289301
1 289061	1 289021	1 289223	1 289162
1 289064	1 289161	1 289028	1 289012

submitted by SA OTTO T. HANDWERK

1	11½" Butcher knife, 7" stainless steel blade with wood handle, printed on blade "Cooksell Company."
1A	Pieces of brown cardboard with torn edges. Each piece contained black stencil printing "Cold Seal Ind'e Chicago, Illinois."
1B	Pieces of brown cardboard with torn edges. Each piece contained black stencil printing "Markey" and each piece had a number as follows:

1 289084	1 289161	1 289028	1 289012
1 289111	1 289021	1 289223	1 289162
1 289060	1 289179	1 289161	1 289301
		1 289020	1 289160
		1 289021	1 289161
		1 289060	

Bailey Exhibit Room	Evidence to be destroyed on completion of trial.
8\28\69	[redacted] on the [redacted]

b6
b7C

TFIS - CONSPIRACY; COL; MISPRISION OF FELONY
FUGITIVE: ET AL
GERALD COVELLI: [redacted]

12-38100	CHICAGO

August 1, 1969

Bulky Exhibit - Inventory of [redacted] as Evidence [redacted] August 1, 1962
FD-192 (Rev. 12-5-58)

☐ *Check, when submitting semiannual-inventory, if no previous correspondence with Bureau.*

Bufile	Field Division
15-38700	CHICAGO

Title and Character of Case

GERALD COVELLI; [redacted]
[redacted] - FUGITIVE; ET AL
TFIS - CONSPIRACY; OOJ; MISPRISION OF FELONY

b6
b7C

Date Property Acquired	Source From Which Property Acquired
2/28/58	[redacted] on the [redacted]

b6
b7C

Location of Property or Bulky Exhibit	Reason for Retention of Property and Efforts Made to Dispose of Same
Bulky Exhibit Room	Evidence to be destroyed on completion of trial.

Description of Property or Exhibit and Identity of Agent Submitting Same

One empty Sunnybrook Whiskey carton which formerly contained half-pint bottles of Sunnybrook Whiskey.

Submitted by SA OTTO T. HANDWERK, Jr.

JHL:njs/dmj
(5)

15-38700-
NOT RECORDED
10 AUG 13 1962

0 AUG 15 1962

Field File # 15-12848-1B7

INCLSUP.
BULK

FBI
U S DEPT OF JUSTICE
AUG 14 9 21 AM '79
RECEIVED
SPECIAL INVESTIGATIVE DIVISION

RECEIVED
GENERAL INVESTIGATIVE DIVISION
AUG 14 11 38 AM '79
F.B.I.
U.S. DEPT. OF JUSTICE

(2)
JHL:mlm\mlm

Submitted by SA OTTO T. HANDWERK, Jr.

One empty Gunnybrook Whiskey carton which formerly contained half-pint bottles of Gunnybrook Whiskey.

BULKY EXHIBIT ROOM	Evidence to be destroyed on completion of trial.
8/28/78	[redacted] on the [redacted]

b6
b7C

TFIS - CONSPIRACY; COL; MISPRISION OF FELONY
[redacted] - FUGITIVE; ET AL
GERALD COVELLI; [redacted]

12-38700	CHICAGO

Robert J. Isaes
August 1, 1979

FD-263 (Rev. 5-1-59)

4-29-60

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE	OFFICE OF ORIGIN	DATE	INVESTIGATIVE PERIOD
CHICAGO	CHICAGO	10/10/62	7/13 - 9/25/62

TITLE OF CASE

GERALD COVELLI; [redacted]
FUGITIVE; ET AL

REPORT MADE BY [redacted]

TYPED BY dls

CHARACTER OF CASE

TFIS - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISON OF FELONY

b6
b7C

10-16-62

REFERENCES: Report of SA [redacted] dated 6/28/62 at Chicago.
Chicago airtel to Bureau 8/1/62.
[redacted] airtel to Kansas City and Chicago dated 9/18/62. (IO)
Chicago airtel to [redacted] dated 9/21/62. (IO)

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- P -

LEADS

[redacted]

AT [redacted] INFORMATION. One copy of this report is being designated for the [redacted] Division for information purposes, in view of the fact that GERALD COVELLI is the subject of an impersonation case in that Division, which case is currently in a Pending Inactive Status awaiting the outcome of prosecutive action in Chicago.

b7D

APPROVED SPECIAL AGENT IN CHARGE

DO NOT WRITE IN SPACES BELOW

15-38700-225

REC-8

12 OCT 12 1962

COPIES MADE:

1 - Bureau (15-38700)
1 - USA, Chicago
2 - [redacted] (Info)
(1 - 247-2584)
(1 - USA, [redacted])
1 - Springfield (15-1943) (Info)
2 - Chicago (15-12848)

DISSEMINATION RECORD OF ATTACHED REPORT

AGENCY			
REQUEST RECD.			
DATE FWD.			
HOW FWD.			
BY			

30 OCT 25 1962

NOTATIONS

STATE REC'D

b7D

CHR 10/24

FBI
RECEIVED
GENERAL INVESTIGATIVE DIVISION
U.S. DEPT. OF JUSTICE
OCT 16 11 39 AM '62
OCT 24 12 16 PM '62
OCT 17 2 12 PM '62
OCT 12 12 44 PM '62
F.B.I.
U.S. DEPT. OF JUSTICE
SPECIAL INVESTIGATIVE
OCT 12 12 44 PM '62

[redacted]

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[redacted]

[redacted]

[redacted]

[redacted]

One copy is also designated for the United States Attorney, [redacted]

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For the information of the [redacted] Division, [redacted] in his present status has served approximately nine months over the expiration of his sentence in the [redacted] case in [redacted] It is anticipated by the Assistant United States Attorney, Chicago, that this part of his sentence would be applied on whatever sentence he might receive in the TFIS - CONSPIRACY case and the BRIBERY case, which is pending in the Chicago Division.

SPRINGFIELD

AT SPRINGFIELD, ILLINOIS - INFORMATION. One copy of this report is being designated for the Springfield Division for information purposes, in view of the fact that the trial was held in that area, and also the fact that all government exhibits are in the court's custody at Peoria, Illinois.

CHICAGO

AT CHICAGO, ILLINOIS. 1. Follow and report prosecutive action in this matter and maintain close contact with Assistant United States Attorney [redacted] who is handling this matter. Will also follow the pending appeal in the TFIS - CONSPIRACY phase of this investigation.

2. Will review file and concentrate attention on the bribery phase of captioned case, with a view to preparing same for trial.

ADMINISTRATIVE

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Assistant United States Attorney, Chicago, advised on July 13, 1962, that on that date [redacted] (one of the main government witnesses in captioned matter) had been released on bond and [redacted] current address would be care of [redacted] pending his availability at the forthcoming bribery trial.

COVER PAGE

Immigration and Naturalization Service, Chicago, in the person of Agents [redacted] is presently investigating the possibility of deportation proceedings against JAMES ALLEGRETTI. The aforementioned as part of this investigation have also interviewed [redacted] regarding his knowledge of ALLEGRETTI's travels.

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It is noted that the period of this report is rather extensive; however, all leads in this matter have been handled in expeditious fashion with the Bureau being kept advised by the most expeditious means of communications such as airtels and teletypes where required. The focal point of attention in this matter is being given to the preparation of this case for trial and previously to the trial which took place in Peoria, Illinois, from March 28, 1962, to April 24, 1962.

FD-204 (Rev. 3-3-59)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago
1 - USA, [redacted]

Report of: SA [redacted] Office: Chicago
Date: 10/10/62

Field Office File No.: 15-12848 Bureau File No.: 15-38700

Title: GERALD COVELLI;
[redacted]

Character: THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISON OF FELONY

Synopsis:

Regarding 60CR332 (the whiskey case) appeal of the conviction in the United States District Court, Peoria, Illinois, on June 26, 1962, regarding defendants JAMES ALLEGRETTI, [redacted] and FRANK LISCIANDRELLO, is pending. Regarding the bribery case (60CR331), on September 11, 1962, Judge HUBERT L. WILL denied motion of defendant JOSEPH DI VARCO to dismiss the indictment and the same denial of said motion applied to defendant [redacted] on September 17, 1962. Motions entered in behalf of defendants JOSEPH DI VARCO, [redacted] for bill of particulars, and on October 2, 1962, the court ordered motion of defendant DI VARCO for bill of particulars granted in part and denied in part.

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b6
b7C

- P -

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

DETAILS:

Prosecution

Concerning the Whiskey
Case 60CR332

Appeal of the convictions of the judgment of guilty in the United States District Court, Peoria, Illinois, on June 26, 1962, regarding defendants JAMES ALLEGRETTI, [redacted] and FRANK LISCIANDRELLO is pending. b6 b7C

Regarding the Bribery
Case 60CR331

The clerk of the court's records at Chicago, Illinois, under the heading of proceedings in Criminal Docket 60CR331, reflect the following information regarding defendants DI VARCO, [redacted] b6 b7C

On September 11, 1962, order leave in behalf of defendant [redacted] to adopt any and all preliminary motions filed by the other defendants wherever applicable to him. Order motion of defendant JOSEPH DI VARCO to dismiss the indictment denied. Motion of defendant DI VARCO for a bill of particulars continued to September 17, 1962, at 10:00 a.m. Order cause continued to September 17, 1962, at 10:00 a.m., to set for trial. Appearance of the defendants on said date waived.

On September 17, 1962, order motion of defendant [redacted] to dismiss the indictment denied. Motion of defendant JOSEPH DI VARCO for bill of particulars continued to September 24, 1962. Order cause placed on criminal trial call. b6 b7C

On September 24, 1962, substitution of counsel was filed whereby the appearance of Attorney [redacted]

[redacted] was filed for DI VARCO in place of [redacted] Motion of defendant DI VARCO for bill of particulars on that date was continued to September 28, 1962, at 10:00 a.m.

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On September 25, 1962, file warrant for arrest of defendant GERALD COVELLI returned unexecuted.

On September 28, 1962, on motion of the government, motion of defendant DI VARCO for bill of particulars continued to October 2, 1962, at 10:00 a.m.

On October 2, 1962, order motion of defendant DI VARCO for bill of particulars granted in part and denied in part. On motion of the government the name "CEASAR" was stricken from the indictment.

Present attorneys of record in this matter are [redacted] in behalf of defendant DI VARCO, [redacted] in behalf of defendant [redacted] and Attorney [redacted] in behalf of defendant [redacted]

b6
b7C

Conferences were held with Assistant United States Attorney [redacted] concerning this matter, on July 13, 16 and 30, 1962, October 28, 1962 and September 12, 18 and 25, 1962, regarding the preparation of this matter for trial.

11/2/62

PLAIN TEXT

TELETYPE URGENT

TO SAC CHICAGO (15-12848)

FROM DIRECTOR FBI

GERALD COVELLI, [redacted] DASH FUGITIVE, ET AL;

TFIS DASH CONSPIRACY, OOJ, BRIBERY, MISPRISION OF FELONY.

RE PHILADELPHIA AIRTEL NOVEMBER ONE, SIX TWO.

GEORGE J. HUNDLEY, CHIEF OF THE ORGANIZED CRIME SECTION, DEPARTMENT OF JUSTICE, ADVISED MAX OLSHON CONTACTED HIM APPROXIMATELY ONE MONTH AGO SEEKING EMPLOYMENT. OLSHON INDICATED WOULD DO ANYTHING. HUNDLEY REFERRED OLSHON TO [redacted] FEDERAL NARCOTICS, WASHINGTON, D. C. [redacted] ADVISED HUNDLEY THAT OLSHON CONTACTED HIM FOR EMPLOYMENT. [redacted] INDICATED TO HIM THAT HE SHOULD ESTABLISH HIMSELF IN A MAJOR CITY AND AGAIN RECONTACT [redacted] OLSHON ACCORDING TO HUNDLEY ACQUAINTED WITH NARCOTICS THROUGEOUT U.S. [redacted] ADVISED HUNDLEY OLSHON INDICATED HE WAS LEAVING PHILADELPHIA AND BELIEVED TO BE GOING TO LOS ANGELES. NEITHER HUNDLEY OR [redacted] HAVE HEARD FROM OLSHON SINCE HIS CONTACT WITH THEM APPROXIMATELY ONE MONTH AGO.

b6 b7C

b6 b7C

REC 16 15-38700-226

19 NOV 5 1962

PHILADELPHIA ADVISED BY MAIL.

COMMUNICATIONS SECTION NOV 3 1962

TELETYPE

1 - PHILADELPHIA

NOTE: Hundley contacted 11/2/62 by SA [redacted] relative to request made by Philadelphia per their airtel 11/1/62. [redacted] trial expected to start 11/6/62 Chicago.

b6 b7C

DWM:djm (5)

Tolson
Belmont
Mohr
Casper
Callahan
Conrad
DeLoach
Evans
Gale
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

MAIL ROOM ☐ TELETYPE UNIT ☑

FD-36 (Rev. 12-13-56)

FBI

Date: 11/1/62

Transmit the following in PLAIN TEXT
(Type in plain text or code)

Via AIRTEL REGULAR MAIL
(Priority or Method of Mailing)

TO: DIRECTOR, FBI

FROM: SAC, PHILADELPHIA (15-NEW)

SUBJECT: GERALD COVELLI [redacted]
[redacted] - FUGITIVE, ET AL;
TFIS - CONSPIRACY, OOJ, BRIBERY,
MISPRISION OF FELONY

Re Chicago teletype to Philadelphia dated 10/31/62.

For information of the Bureau, the Chicago Division requested expeditious attempt be made to locate MAX OLSHON, a necessary Government witness in captioned matter, as trial expected to start soon after 11/6/62. Chicago advised OLSHON had been living [redacted] until three weeks ago.

On instant date, [redacted] advised that [redacted] MAX OLSHON, had [redacted] for the past three months subsequent to his release from jail. She said that he had been steadily attempting to secure employment and, being unable to do so, he became disgusted and left Philadelphia about three weeks ago. She said she has not heard from him since. This, she added, is unusual because she is the most likely person he would maintain contact with, as she was the [redacted] who maintained contact with him while he was incarcerated and [redacted] when he was released.

[redacted] said that [redacted] MAX did not receive any mail and was not visited by any persons who might have been former acquaintances. She said that the only person he indicated he might contact was an individual in Washington, D.C. (name unknown), who, MAX said, had given

3 - Bureau
2 - Chicago (15-12848)(AIR MAIL)
1 - Philadelphia (15-new)

JLS:rdc/jp
(6)

EX. - 120

REC-29 15-38700-227

5 NOV 2 1962

50 NOV 13 1962

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

retention 11/8 [illegible]
NOV 6 - 1962

FBI
U. S. DEPT OF JUSTICE
Nov 2 11 55 AM '62
RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

GENERAL [illegible]
Nov 6 10 16 AM
F. B. I.
U. S. DEPT. OF JUSTICE

Nov 6 10 16 AM
F. B. I.
U. S. DEPT. OF JUSTICE

him assistance in the past. She said he promised to advise her of his location when he secured employment.

[redacted] said that she has been telephonically contacted by a [redacted] whom, she believed, is a District Attorney in Chicago and who inquired regarding her [redacted] whereabouts. She said that she, in turn, contacted a [redacted] a District Attorney at Philadelphia with whom [redacted] MAX had prior contact. She said that [redacted] advised her she probably would be contacted by the FBI regarding the whereabouts [redacted]

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[redacted] appeared most cooperative and promised to contact the Philadelphia Office immediately if she hears from [redacted]

On instant date, [redacted] Departmental Attorney presently in Philadelphia, advised that he is acquainted with MAX OLSHON and had talked to him about six weeks ago. He said that OLSHON had previously been of assistance in the case involving Subject COVELLI and had, in fact, [redacted] He said that OLSHON resented the fact that he had received no remuneration while he was being held, inasmuch as other witnesses in the same matter had been paid. [redacted] said that, according to OLSHON, when he was released he was given only $5.00 and had to hitchhike back [redacted]

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[redacted] said that when he talked to OLSHON, MAX indicated that, inasmuch as he was in need of funds, he was contemplating making contacts with Mr. WILLIAM G. HUNDLY, Chief of the Organized Crime Section, Department of Justice, Washington, D. C., who had previously assisted him.

Mr. HUNDLY possibly is the individual OLSHON referred to when talking to his sister about the man in Washington.

The Bureau is requested to contact Mr. WILLIAM G. HUNDLY, Chief of the Organized Crime Section, Department of Justice, to determine if he has recently been contacted by MAX OLSHON, and, if OLSHON's present whereabouts are known to Mr. HUNDLY. Expedite and advise Chicago.

FROHBOSE

SECRET

[redacted] b6 b7C

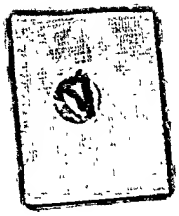
[redacted] b6 b7C

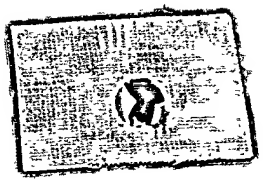
[redacted]

[redacted]

[redacted]

FD-36 (Rev. 12-13-56)





FBI

Date: 11/16/62

Transmit the following in PLAIN TEXT
(Type in plain text or code)

Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

b7D

TO: DIRECTOR, FBI (15-38700)

FROM: SAC, [redacted] (15-3341) (P)

SUBJECT: GERALD COVELLI; ET AL
TFIS - CONSPIRACY;
OOJ; BRIBERY; MISPRISION
OF FELONY

OO: Chicago

b6
b7C

Re Chicago teletype to Miami dated 11/6/62 in which Miami was requested to develop present whereabouts of MAX OLSHON, needed as witness in trial in captioned matter at Chicago to start in November, 1962.

OLSHON encountered by SA JAMES J. O'CONNOR in downtown Miami on 11/16/62. Using name [redacted] and associated with one [redacted] (ph), [redacted] to begin employment on 11/19/62 in operation of restaurant in [redacted] He is presently living at [redacted]

[redacted] was not informed that he is needed as witness in trial at Chicago. In this regard following observations are offered for the assistance of the Chicago Division in this matter:

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[redacted] was subjected to unusually extensive cross examination by defense attorneys in the ITSMV ring trial at

3 - Bureau (AM)
2 - Chicago (15-12848) (AM)
2 - [redacted]
JJO:mgw
(7)

REC-1 15-38700-228

b7D

13 NOV 19 1962

C C - Wick

Approved: 53 NOV 21 1962 Sent _____ M. Per _____
Special Agent in Charge

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
Nov 19 10 36 AM '62
F.B.I.
U.S. DEPT. OF JUSTICE

NOV - 9 1962

Houston, Texas, in January, 1960, and again in the TFIS - CONSPIRACY trial at Peoria, Ill. in April, 1962. Further, he was actually held in custody several months beyond the full completion of his sentence in the ITSMV ring case in order to be available as a witness in the TFIS trial. [redacted]

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When contacted by Bureau agent at Miami on 11/16/62, [redacted] was enthused over the prospect of his first employment since his release from custody at Chicago in the spring of [redacted] Relative to his release from custody, [redacted] has indicated a certain hostility toward former AUSA [redacted] Chicago, relating that [redacted] gave him $5.00 at the time and told him he was "on his own" whereas a convict who never assisted the government by testimony but who is released on parole is given more assistance, particularly in obtaining employment.

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In view of the delays which frequently occur in trials of this nature, it is suggested that before [redacted] is served with subpoena, the date of trial be ascertained and, as near as possible, the date on which [redacted] would testify. Thus, his time in Chicago would be held to a minimum and arrangement could be made by him with his new employer to cover his absence.

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It is believed desirable that the subpoena should be served by Bureau agent in view of the friendly relationship [redacted]

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b7D

It is also brought to the attention of the Chicago Division that in both the ITSMV ring case at Houston and TFIS trial at Peoria, all past statements of COVELLI and OLSHON were demanded by the defense under the Jencks rule. Unless the appeal of defendants in the TFIS convictions at Peoria has been ruled upon by higher courts, these original statements remain sealed and in possession of the Appelate Court.

FD-36 (Rev. 12-13-56)

F B I

Date: 11/20/62

Transmit the following in _____ (Type in plain text or code)

Via AIRTEL _____ (Priority or Method of Mailing)

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Casper
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Gale
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

TO : DIRECTOR, FBI (15-38700)

FROM: SAC, CHICAGO (15-12848)

GERALD COVELLI; ET AL
TFIS - CONSPIRACY; OOJ;
BRIBERY; MISPRISION OF FELONY
OO: Chicago

Re Miami airtel to Bureau dated 11/16/62.

Trial date in the bribery phase of captioned matter is set for 12/3/62. As of this date, defense attorneys indicate they will be ready for trial on the date.

AUSA and FBI, Chicago in agreement with observations of Miami regarding OLSHON and efforts will be made not to subpoena OLSHON prematurely.

[redacted] and it is requested that Miami keep apprised of [redacted] whereabouts [redacted]

b6
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For the information of Miami, AUSA [redacted] has resigned and AUSA [redacted] resignation is effective 11/30/62. This case is presently assigned to AUSA [redacted] who is assisted in this matter by AUSA [redacted] AUSA [redacted] advised that [redacted] will be accorded courteous treatment while in Chicago.

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b7C
b7D

AUSA, Chicago also of the opinion that subpoena regarding OLSHON should be served by Bureau agent.

Bureau will be apprised of pertinent subsequent developments.

EX-100

15-38700-229

3 - Bureau
2 - Miami (15-3341)
1 - Chicago
WDW:DAR
(6)

REC-71

18 NOV 26 1962

51 NOV 29

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

Nov 21 7 48 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

FD-36 (Rev. 12-13-56)

FBI

Date: 11/23/62

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL _____
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (15-38700)

FROM: SAC, CHICAGO (15-12848) (P)

GERALD COVELLI; [redacted]
FUGITIVE; ET AL
TFIS - CONSPIRACY - O.J. - BRIBERY,
MISPRISON OF A FELONY

OO: Chicago

AUSA [redacted] advised that [redacted] Aka., testified on [redacted] before the FGJ, Chicago that [redacted]

AUSA [redacted] desires each of the above-named individuals be interviewed regarding the following:

1. Do they know GERALD COVELLI, [redacted] JOSEPH DI VARCO, MAX OLSHON? Exhibit photographs of each.

2. Were they ever or are they now employed by Sterile Glass (or Sterile Chemical). If so, when employed, what did they do, who did they work for, who paid them?

EX 109

REC-41 15-38700-230

3 - Bureau
1 - Chicago
MGS/plb
(4)

8 NOV 26 1962

H69

C C Wick

3DEC3 1962

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

RECEIVED
U.S. DEPT OF JUSTICE
GENERAL INVESTIGATIVE
DIVISION
NOV 26 4 36 PM '62

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
NOV 29 1 22 PM '62
F.B.I.
U.S. DEPT. OF JUSTICE

NOV 29 9 57 AM '62

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION
F.B.I.
U.S. DEPT. OF JUSTICE

NOV 29 1962

[redacted]

b6
b7C

[redacted]

b6
b7C
b3

[redacted]

b6
b7C

3. If employed during January, 1959, at Sterile Glass, did they ever see COVELLI there? Did they ever hear or see any conversation between the above or between any of the above and others discussing anything about the bribery trial? If so, what was said and who was there?

4. Obtain background information on each individual during the interview.

b6
b7C

AUSA [redacted] desires these interviews to restrict the use of these individuals by the defense attorneys.

Trial date set for 12/3/62.

Chicago will attempt to locate and interview these individuals on 11/27/62, UACB.

FD-36 (Rev. 12-13-56)

12-11

FBI

Date: 11/27/62

Transmit the following in PLAIN TEXT
(Type in plain text or code)

Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO: DIRECTOR, FBI (15-38700)

FROM: SAC, [redacted] (15-3341) (P) b7D

SUBJECT: GERALD COVELLI; ET AL
TFIS - CONSPIRACY; OOJ;
BRIBERY; MISPRISION OF FELONY

OO: Chicago

Re Chicago airtel to Bureau, 11/20/62.

[redacted] on 11/26/62 and [redacted] b6 b7C b7D

In order to [redacted] from defense prior to trial it is suggested that his subpoena be handled by USA rather than Clerk of Court; also, letter by USA to USM, [redacted] necessary for advance of funds for transportation and some per diem. Service of subpoena by SA still regarded as desirable because [redacted] b6 b7C b7D

It is suggested that Chicago arrange for motel or other lodging for [redacted] so he can [redacted] In this regard [redacted] will be advised to call Chicago Office on arrival at Chicago Airport and contact SA [redacted] for instruction. b6 b7C b7D

(3) - Bureau (AM)
2 - Chicago (15-12848) (AM)
2 - [redacted]
JJO:mgw
(7)

REC-12 15-38700-231

EX.-120

5 NOV 29 1962

C C Wick

b7D

0 DEC 3 1962

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

NOV 29 1962

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
NOV 29 10 26 AM '62
F. B. I.
U.S. DEPT. OF JUSTICE

[redacted]

[redacted]

b6
b7C
b7D

[redacted]

[redacted]

[redacted]

b6
b7C
b7D

FD-36 (Rev. 12-13-56)

FBI

Date: 11/27/62

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL _____
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (15-38700)

FROM : SAC, CHICAGO (15-12848)

SUBJECT: GERALD COVELLI,
ET AL
TFIS - CONSPIRACY;
OOJ; BRIBERY;
MISPRISION OF FELONY
(OO: Chicago)

Re Chicago airtel to Bureau and Miami dated 11/20/62.

By way of background in this matter, on 8/3/62 defendants in captioned bribery case filed various pre-trial motions including an extensive motion for Bill of Particulars. On 10/2/62 the motion for Bill of Particulars was granted in part and denied in part. The Government thereupon filed a motion to vacate the order granting the Bill of Particulars supported by a comprehensive legal memorandum. On 11/21/62 in a memorandum opinion, Judge HUBERT L. WILL directed the Government to answer defendants request for a Bill of Particulars in accordance with his previous order.

When the Government received this order from Judge WILL, the Government took the position that full compliance with Judge WILL's order to answer the Bill of Particulars would make successful prosecution of this case highly problematical. This is based on the fact that the juror bribery case is a difficult one at best, and it depends

EX 109

3 - Bureau
2 - Miami (15-3341) (Encls. 3)(RM)
1 - Chicago
WDW:sck
(6)

REC-41 15-38700-232

12 NOV 29 1962

C G - WICB

NOV 30 1962

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

NOV 29 1962

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

Nov 29 10 50 AM '62

F. B. I.
U. S. DEPT. OF JUSTICE

primarily on the testimony of [redacted] convicted criminals. b6 b7C b7D

Therefore, the USA's Office, Chicago, by correspondence dated 11/23/62, has brought this matter to the attention of [redacted] Deputy Chief, Organized Crime and Racketeering Section, Department of Justice, Washington, D.C. The USA's Office, Chicago, advised the department that a thorough review of Judge WILL's order would indicate that the Judge has promulgated an erroneous rule of law respecting criminal discovery, the effect of which would be to jeopardize criminal conspiracy cases. Therefore, the advice of the department was requested at the earliest feasible date prior to 12/3/62 with respect to the Government's position on said Bill of Particulars.

There is enclosed herewith for the [redacted] Office by registered mail a subpoena for [redacted] the serving of which should be held in abeyance pending the outcome of the above request of the department. b6 b7C b7D

[redacted] will be advised by teletype when aforesaid subpoena should be served and the time, etc., [redacted] is needed in Chicago, UACB.

Bureau will be apprised of pertinent subsequent developments.

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
NOV 29 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Casper
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Gale
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 11-29-62 2-06 PM JLS

TO DIRECTOR, FBI 15-38700 AND SAC, [redacted] 15-3341 b7D

FROM SAC, CHICAGO 15-12848 1P

GERALD COVELLI,. ET AL. TFIS DASH CONSPIRACY,. OOJ,. BRIBERY,. MISPRISION OF FELONY.

TRAIL THIS MATTER SET FOR DECEMBER THREE NEXT. SA JAMES J. O-CONNOR ACCORDING TO UNITED STATES ATTORNEY, CHICAGO, IS ESSENTIAL GOVERNMENT WITNESS AND IT IS ANTICIPATED HE WILL TESTIFY TO SAME MATERIAL AS IN ITSMV TRIAL AT HOUSTON, TEXAS, AND TFIS TRIAL AT PEORIA, ILLINOIS, O-CONNOR HAVING TAKEN STATEMENTS FROM MAIN GOVERNMENT WITNESSES [redacted] b6 b7C b7D

DEFENSE HAS STATED AT HEARING UNITED STATES DISTRICT COURT NOVEMBER TWENTY EIGHT LAST THAT THEY WILL REQUEST ALL STATEMENTS OF WITNESSES UNDER QUOTE JENCKS RULING UNQUOTE. IN VIEW OF THE ABOVE I BELIEVE THIS REQUEST IS JUSTIFIED. b6 b7C b7D

SA O-CONNOR SHOULD BE IN CHICAGO BY NOON FRIDAY NEXT FOR A PRE-TRIAL CONFERENCE UACB.

[redacted] SHOULD ALSO SERVE FORTHWITH SUBPOENA ON [redacted] RE HIS APPEARANCE IN CHICAGO ON THE SAME DATE. REC-51 15-30 233

END AND ACK IN ORDER PLS

WA 3-08 PM OK FBI WA MLL

[redacted] 1 3-08 PM OK FBI [redacted] SHR b7D

TU DISCMCDVMMKYMV

12 NOV 30 1962

63 DEC 1 1962

3

REC'D - ROSEN
FBI
NOV 29 3 52 PM '62

REC'D - TELETYPE UNIT
F B I
NOV 29 3 10 PM '62

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
DEC 3 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Casper
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Gale
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 12-3-62 8-38 PM EMM

TO DIRECTOR, FBI /15-38700/

FROM SAC, CHICAGO /15-12848/ /1P/

GERALD COVELLI, ET AL, TFIS DASH CONSPIRACY., OOJ., BRIBERY DASH MISPRISION OF FELONY.

BRIBERY TRIAL COMMENCED PM THIS DATE IN U.S. DISTRICT COURT, CHICAGO AND PRESENTLY IN PROCESS OF PICKING A JURY. INITIAL MOTION ON PART OF DEFENSE FOR CONTINUANCE IN VIEW OF ATTENDED NEWSPAPER PUBLICITY DENIED. BUREAU WILL BE APPRISED OF PERTINENT INFORMATION.

REC-11 15-38700-234

END AND ACK PLS

ST-104

5 DEC 5 1962

5WA 9-40 PM OIK FBI WA BH

51 DEC 7 1962

TU AND CLE

cc Benjamin

29

RECEIVED
NEWAL INVESTIGATIVE
DIVISION

DEC 3 10 00 PM '67

F. B. I.
U. S. DEPT. OF JUSTICE

RECEIVED
DEC 5 J 16 AM '67
U. S. DEPT. OF JUSTICE

RECEIVED
DEC 5 9 47 AM '67
F. B. I.
U. S. DEPT. OF JUSTICE

DEC 3 9 40 PM '67

RECEIVED
F B I
RECORD UNIT

November 30, 1962

Airtel

To: SAC, Chicago (15-12848)

From: Director, FBI (15-38700)

GERALD COVELLI; [redacted]
FUGITIVE; ET AL.
TFIS - CONSPIRACY - OJ -
BRIBERY, MISPRISION OF A FELONY

Airtel 11-27-62.

Identification Division files contain original fingerprint cards [redacted] U. S. Marshal, Chicago (4-28-36), and [redacted] U. S. Marshal, (6-30-60), of Joseph DiVarco, FBI [redacted] Fingerprints on card [redacted] taken by [redacted]

Fingerprint Examiner [redacted] will be available to testify to the identity of the fingerprints on these cards.

HEC:mal
(5)

Tolson
Belmont
Mohr
Casper
Callahan
Conrad
DeLoach
Evans
Gale
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

MAIL ROOM TELETYPE UNIT

67 DEC 12 1962

DEC 1 1285

RECEIVED-EVANS

Nov 30 7 10 PM '62

F B I
U.S. DEPT. OF JUSTICE

RECEIVED
FEDERAL INVESTIGATIVE
DIVISION

DEC 4 6 02 PM '62

F. B. I.
U.S. DEPT. OF JUSTICE

36 (Rev. 12-13-56)

F B I

Date: 11/27/62

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL _____
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (15-38700)

FROM : SAC, CHICAGO (15-12848)

SUBJECT: GERALD COVELLI; [redacted] FUGITIVE; ET AL TFIS - CONSPIRACY - OJ - BRIBERY, MISPRISION OF A FELONY (OO: CHICAGO)

ATTENTION: IDENTIFICATION DIVISION

b6 b7C

b6 b7C

AUSA [redacted] Chicago, requested that the fingerprint cards of JOSEPH VINCENT DI VARCO, turned over to the United States Marshal, Chicago, 4/28/36, who had been arrested by the Chicago Police Department 4/27/36, for counterfeiting and the fingerprint card on DI VARCO made by the United States Marshal, Chicago, under United States Marshal Number 61244, dated 6/30/60, be compared in order to establish that both fingerprint cards are identical.

b6 b7C

IC [redacted] determined from United States Marshal, Chicago, on 11/26/62, that all fingerprint cards taken by the United States Marshal, Chicago, are submitted to the FBI Identification Division.

AUSA [redacted] desires to know the identity of the individual who can testify in Federal Court that the two above fingerprint cards are identical. He anticipates using both original fingerprint cards at the trial in Chicago together with fingerprint expert who can testify that they are identical.

b6 b7C

(3) - Bureau
1 - Chicago
MGS:SJB
(4)

REC- 21

15 38700

12 NOV 29 1962

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

DEC 4 4 12 PM '62

F. B. I.
U. S. DEPT. OF JUSTICE

REC'D - LFPS
FBI
NOV 30 7 38 AM '62

CG 15-12848

The trial date on the above captioned case is set for 12/3/62.

The Bureau is requested to furnish the name of the fingerprint expert who can testify in Federal Court in Chicago regarding the above two fingerprint cards. In the event that the fingerprint expert will be used in the court trial in Chicago, the Bureau will be immediately advised.

MR 11 12/4/62

FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
DEC 4 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Casper
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Gale
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 12-4-62 9-08 PM EMM

TO DIRECTOR /15-38700/

FROM SAC, CHICAGO /15-12848/ /1P/

GERALD COVELLI, ET AL, TFIS DASH CONSPIRACY., OOJ., BRIBERY DASH MISPRISION OF FELONY.

REMYTEL DECEMBER THREE LAST.

JURY RE BRIBERY CASE PRESENTLY ON TRIAL, U. S. DISTRICT COURT, CHICAGO, SELECTED AND IMPANELED LATE PM, THIS DATE, AFTER WHICH GOVERNMENT AND DEFENSE MADE OPENING ARGUMENTS.

GOVERNMENT CALLED THEIR FIRST WITNESS NAMELY GERALD COVELLI AT WHICH TIME THERE WAS A DEFENSE MOTION UNDER RULE TWENTY SIX, FEDERAL RULES OF CRIMINAL PROCEDURE, RELATING TO THE COMPETENCY OF SAID WITNESS. THIS MOTION REFERRED TO COVELLI-S LYING UNDER OATH AT PREVIOUS TRIALS, ETC. GOVERNMENT REQUESTED TIME TO REVIEW AND ANSWER THIS MOTION AND COURT WAS ADJOURNED PENDING JUDGE-S RULING OF THIS MOTION UNTIL TEN AM NEXT. BUREAU WILL BE APPRISED OF DEVELOPMENTS.

END AND ACK PLS

WA 10-10 PM OK FBI WA NH

TU NH AND CLEARO

REC-29 15-38700-236

EX 105 12 DEC 6 1962

56 DEC 11 1962

cc Benjamin

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

DEC 6 9 35 AM '62

F. B. I.
U. S. DEPT. OF JUSTICE

DEC 5 7 42 AM '62

REC'D-CRIMINAL SEC
F B I

REC'D-TELETYPE UNIT
F B I

DEC 4 10 11 PM '62

DEC 7 9 35 AM

F.B.I. OF JUSTICE
U.S. DEPT. OF JUSTICE

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

DEC 4 10 57 PM '62

DEC 5 9 57 AM '62
F.B.I.
U.S. DEPT. OF JUSTICE

U.S. DEPT. OF JUSTICE

RECEIVED

DEC 7 1962

U.S. DEPT. OF JUSTICE
SEC

FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
DEC 5 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Casper
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Gale
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 12-5-62 8-53 PM TN
TO DIRECTOR, FBI 15-38700

FROM SAC CHICAGO 15-12848 1 P

GERALD COVELLI, ET AL, TFIS DASH CONSPIRACY., OOJ., BRIBERY DASH MISPRISION OF FELONY.

REMYTEL DECEMBER FOUR LAST.

BRIBERY TRIAL RECONVENED THIS DATE, USDC, CHICAGO, AND DEFENSE MOTION CHALLENGING COVELLI-S COMPETENCE DENIED AND COVELLI ALLOWED TO TESTIFY AS FIRST GOVERNMENT WITNESS.. DIRECT TESTIMONY OF COVELLI COMPLETED AND HE IS PRESENTLY UNDER CROSS EXAMINATION. BUREAU WILL BE KEPT ADVISED OF DEVELOPMENTS PLS

REPT LAST LINE PLS

E N D A N D A C K PLS

OK NEXT TO LAST THEN

" DEVELOPMENSX DEVELOPMENTS.

9-56 PM OK FBI WA RL

TU RL DISC M

REC- 36 15-38700-237

8 DEC 7 1962

EX-116

60 DEC 11 1962

8

RECEIVED-EVANS

DEC 6 2 41 PM '62

F B I
U.S. DEPT. OF JUSTICE

REC'D-TELETYPE UNIT
F B I

DEC 5 9 59 PM '62

DEC 5 10 15 PM '62

F. B. I.
U. S. DEPT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
DEC 7 1962
TELETYPE

URGENT 12-7-62 7-47 PM EMM

TO DIRECTOR, FBI /15-38700/

FROM SAC, CHICAGO /15-12848/ /1P/

GERALD COVELLI, ETAL, TFIS DASH CONSPIRACY., OOJ., BRIBERY DASH MISPPRISION OF FELONY.

REMYTEL DEC. FIVE LAST.

TRIAL RESUMED, USDC, CHICAGO, DEC. SIX, SEVEN INSTANT, AND GOVERNMENT WITNESS, GERALD COVELLI, UNDER CROSS EXAMINATION, BY DEFENSE ON BOTH DAYS. PERTINENT COVELLI STATEMENTS TENDERED UNDER JENCKS ACT.

BUREAU WILL BE APPRISED OF PERTINENT DEVELOPMENTS.

END AND ACK PLS

WA 8-49 PM OK FBI WA BH

TU BH AND CLEAR

EX 109

REC-1 15-38700-238

5 DEC 10 1962

54 DEC 13 1962

117

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
DEC 7 9 07 PM '62

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
DEC 10 9 59 AM '62
F. B. I.
U.S. DEPT. OF JUSTICE

REC'D-ATTY GEN'L UNIT
F B I
DEC 7 8 50 PM '62

December 11, 1962

airtel

To: SAC, Chicago (15-12848)

From: Director, FBI (15-38700) - 239

EX 109 DEC 24

GERALD COVELLI;
[redacted] FUGITIVE;
ET AL.
TFIS - CONSPIRACY; OOJ; BRIBERY - MISPRISION OF FELONY

b6
b7C

Reurairtel 12-8-62, if questioned writings were written with a pencil or a ball-point pen, it is not possible to determine when the writings were prepared since there are no reliable tests for age of ink (ball-point) or pencil writings. If the questioned writings were prepared with a fountain pen or a steel pen using ordinary fluid inks, certain age of ink tests can be made. However, it is very doubtful that any reliable determination of the age of the writings can be made in view of many factors which influence the age of inks. This is especially true when the examination involves an absolute determination of the age of the ink rather than a comparison of one piece of writing with another piece of writing on the same document.

Age of ink tests could be conducted in Chicago in one day. However, as indicated above, the results, if any, would be of dubious value. Also the decision on sending a Laboratory expert to Chicago would depend on the receipt of further information on the questioned writing such as whether written in pencil, fountain pen or ball-point pen. When such information is available, the decision on sending a Laboratory expert will be made.

JCC:nlb (5)

Tolson
Belmont
Mohr
Casper
Callahan
Conrad
DeLoach
Evans
Gale
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

MAIL ROOM ☐ TELETYPE UNIT ☐

67 DEC 17 1962

Ferrara 5724

RECEIVED - CONRAD
GENERAL INVESTIGATIVE DIVISION
DEC 11 3 50 PM '62
RECEIVED - CONRAD
DEC 12 9 29 AM '62
F.B.I.
U.S. DEPT. OF JUSTICE
F B I
LABORATORY DIVISION
RECEIVED - CONRAD
DEC 14 5 09 PM '62
F B I
LABORATORY DIVISION

FD-36 (Rev. 12-13-56)

FBI

Date: 12/8/62

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL SPECIAL DELIVERY
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (15-38700)
ATTN: FBI LABORATORY, DOCUMENT SECTION

FROM : SAC, CHICAGO (15-12848)(P)

SUBJECT: GERALD COVELLI;
[redacted] - FUGITIVE;
ET AL
TFIS - CONSPIRACY; OOJ; BRIBERY - MISPRISION OF FELONY
(OO: Chicago)

b6
b7C

Enclosed herewith to the FBI Laboratory are three sheets of yellow paper of the general type believed to have been used by Attorney [redacted] a defendant in the bribery of a juror case currently being tried in Chicago.

b6
b7C

It is contemplated that the defense may attempt to enter pen or pencil notes purporting they were written almost four years ago by Attorney [redacted] during the COVELLI whiskey hi-jacking trial, when in fact such notes may have been recently and falsely made. The original notes were written by Attorney [redacted] during the trial of the whiskey hi-jacking case involving COVELLI and others in January 16, 17, 19, and 20, 1959. [redacted] allegedly [redacted] the pad during the trial. This sheet was later removed by [redacted] and given to COVELLI to give to JOSEPH VINCENT DI VARCO. It is possible that a recopied pad may be entered by the defense and an expert examine the pad to prove that no sheet had been removed from the pad.

b6
b7C

3 - Bureau (Encls. 3) (RM) EX 109
1 - Chicago
MGS:sck
(4)

15-38700-239

REC-24

5 DEC 10 1962

12

ENCLOSURE ATTACHED

ENCLOSURE

I C C - Wick

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

RECEIVED
GENERAL INVESTIGATIVE DIVISION
DEC 10 4 15 PM '62

RECEIVED
GENERAL INVESTIGATIVE DIVISION
DEC 12 9 29 AM '62
F.B.I.
U.S. DEPT. OF JUSTICE

FBI-LAB
RECEIVED
GENERAL INVESTIGATIVE DIVISION
DEC 10 3 13 PM '62

RECEIVED
DEC 12 11 12 AM '62
F.B.I.
U.S. DEPT. OF JUSTICE

CG 15-12848

AUSA [redacted] Chicago, as a point of information, desires to know if the FBI Laboratory can determine by examination whether or not pencil or pen writings were written nearly four years ago or recently, within the last few months. If such an examination can be made, can such an examination be made in Chicago, Illinois? If so, can such an examination be made in one day? AUSA [redacted] advised that if the defense did enter the above, he doubted if he could get the pad for more than one day for examination. If this examination is possible, advise if a Laboratory examiner would be available for such an examination in Chicago, the latter part of next week, if required by the AUSA, Chicago.

b6
b7C

Expedite.

ENCLOSURES (3) TO BUREAU FROM CHICAGO.

Re: GERALD COVELLI:
[redacted] - FUGITIVE
ET AL
TFIS - CONSPIRACY; OOJ; BRIBERY -
MISPRISION OF FELONY
(OO: Chicago)

Three (3) sheets of yellow paper.

Bufile 15-38700
Chicago 15-12848

b6
b7C

ENCLOSURE

15-38700-239

NA
11:50 pm
12/11/62
ABR

FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
DEC 11 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Casper
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Gale
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 12-11-62 9-36 PM EMM

TO DIRECTOR, FBI /15-38700/

FROM SAC, CHICAGO /15-12848/ /2P/

GERALD COVELLI., ET AL., TFIS DASH CONSPIRACY., OOJ., BRIBERY., MISPRISION OF FELONY.

REMYTEL DEC. SEVEN LAST.

BRIBERY TRIAL RECONVENDED USDC, CHICAGO, DEC. TEN LAST, AT WHICH TIME GERALD COVELLI STILL ON WITNESS STAND UNDER CROSSEXAMINATION. DURING COURCE OF DAY GOVERNMENT HAD COVELLI ON REDIRECT EXAMINATION AND DEFENSE HAD COVELLI ON RECROSS.

ON THIS DATE COURT RECONVENDED AND INITIAL DISCUSSION HAD REGARDING JENCKS TENDERS. COVELLI STILL ON RECROSS EXAMINATION BY DEFENSE.

CROSSEXAMINATION OF COVELLI SUBSEQUENTLY COMPLETED AND MAX OLSHON TOOK STAND PM AS SECOND GOVERNMENT WITNESS UNDER DIRECT EXAMINATION.

REC-14 15-38700-240 ED-105 DEC 14 1962

DURING COURSE OF DIRECT EXAMINATION BY GOVERNMENT OF OLSHON REGARDING ORIGIONAL WHISKEY CASE PAREN-JAN. NINETEEN

END PAGE ONE

54 DEC 19 1962

Copy to Benjamin

FIFTYNINE ENPAREN WHEREIN COVELLI WAS SOLE DEFENDANT AND BRIBED JUROR OCCURRED, OLSHON REFERRED TO [redacted] CLOSING ARGUMENTS AND [redacted] STATEMENTS AT THAT TIME REGARDING RELIABILITY OF TESTIMONY OF BUREAU AGENTS. OF COURSE, AT THAT TIME THIS WAS IMMEDIATELY REFUTED BY THE THEN AUSA [redacted] WHO WAS THEN GOVERNMENT PROSECUTOR.

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THE COURT AT THIS TIME READ INTO THE RECORD IN THIS CASE OUT OF THE PRESENCE OF THE JURY PORTIONS OF AFORESAID CLOSING ARGUMENTS AND DENIED DEFENSE MOTION FOR MISTRIAL.

OLSHON STILL ON STAND AT ADJOURNMENT THIS DATE AND CROSSEXAMINATION OF OLSHON TO BEGIN DEC. TWELVE NEXT.

BUREAU WILL BE APPRISED OF CURRENT DEVELOPMENTS.

END AND ACK PLS

WA 10-40 PM OK FBI WA MLL

TU MLL AND CLEARO

F B I
REC'D-CRIMINAL SEC.
DEC 15 1 55 PM '75

REC'D-TELETYPE UNIT
F B I
DEC 11 10 42 PM '62

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FEDERAL INVESTIGATIVE
DIVISION

DEC 11 10 57 PM '62
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U.S. DEPT. OF JUSTICE

DEC 12 7 27 AM '62
REC'D-CRIMINAL SEC.
F B I

FD-36 (Rev. 12-13-56)

FBI

Date: 12/6/62

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL _____
(Priority or Method of Mailing)

TO: DIRECTOR, FBI (15-38700)

FROM: SAC, CHICAGO (15-12848)

SUBJECT: GERALD COVELLI; ET AL
TFIS - CONSPIRACY; OOJ;
MISPRISION OF FELONY; BRIBERY

The bribery trial in captioned matter in which Attorney [redacted] JOSEPH DI VARCO and [redacted] are defendants is presently in session in USDC, Chicago. b6 b7C

In connection with the TFIS - Conspiracy phase of the case, JAMES ALLEGRETTI, FRANK LISCIANDRELLO, [redacted] were found guilty in USDC, Peoria, Ill., in 4/62. In that trial the Government was charged by the defense with failing to tender, in accordance with the Jencks Rule, all statements made by Government witnesses GERALD COVELLI and MAX OLSHON. Thereupon, AUSAs [redacted] and [redacted] handling the prosecution, requested all information furnished by COVELLI and OLSHON be obtained from the Houston Office where interviews of the latter two had occurred following their arrests for ITSMV - Conspiracy in 2/59. Subsequently, in USDC Peoria, the Government made numerous tenders to the court which were not delivered to the defense but were sealed by order of USDJ FREDERICK O. MERCER for study by Circuit Court in appeal by the defendants. Among these sealed Government tenders were six memoranda to the Bureau from SAC, Houston, all entitled "General Investigative Intelligence; [redacted], and dated 8/11,31/59; 9/14,23/59, 12/9/59 and 1/25/60. b6 b7C b7D

In the preparation of the bribery case for trial at Chicago, it was necessary to check the sealed tenders and a court order was obtained and AUSA and BuAgent checked these sealed tenders at the Seventh Court of Appeals. At this time it was ascertained that former AUSA [redacted] now in private practice, and an attorney of record for JOSEPH DI VARCO, had opened these sealed Government tenders "inadvertently" in her preparation of the appeal in the Peoria conviction of JAMES ALLEGRETTI. According to a notation on the b6 b7C

C C Wick

3 - Bureau
1 - Chicago
WDW:BJK (4)

REC-11 15-38700-241

EX-116

DEC 8 1962

56 DEC 19 1962

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

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DIVISION

DEC 8 4 37 PM '62

F. B. I.
U. S. DEPT OF JUSTICE

DEC 14 1962

FD-36 (Rev. 12-13-56)

FBI

Date:

Transmit the following in _____
(Type in plain text or code)

Via _____ _____
(Priority or Method of Mailing)

CG 15-12848

file [redacted] contacted Judge HASTINGS of the Court of Appeals and he instructed her to reseal same, which she did. The extent of her study of the tenders is not known. The USA's Office, Chicago, has advised the Department of the above, however, any action is being held in abeyance pending conclusion of the bribery trial.

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Attention is brought to the Houston memorandum to the Bureau dated 12/9/59, pages 2 and 3, wherein it is related that [redacted] COVELLI, on 10/21-22/59 [redacted] with [redacted] Agent in Charge of Federal Bureau of Narcotics, Houston, Texas, [redacted] Narcotics. On 11/24/59, [redacted] advised that [redacted] was accompanied to Chicago by an undercover Agent from the Philadelphia Office of the Bureau of Narcotics.

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Approved: _____ Sent _____ M Per _____
Special Agent in Charge

NA 136 WHA

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
DEC 19 1962

TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Casper
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Gale
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 12-18-62 11-34 PM EMM

TO DIRECTOR, FBI /15-38700/ AND SAC, KANSAS CITY.

FROM SAC, CHICAGO /15-12848/ /2P/

GERALD COVELLI., ET AL. TFIS DASH CONSPIRACY., OOJ., BRIBERY., MISPRISION OF FELONY.

REMYTEL DEC. ELEVEN LAST AND CHICAGO TELEPHONE CALL TO KANSAS CITY TWELVE EIGHTEEN.

DURING AM TWELVE EIGHTEEN, GOVERNMENT RESTED ITS CASE IN BRIBERY TRIAL, USDC, CHICAGO. DEFENSE MOTIONS FOR DIRECTED VERDICT OF ACQUITTAL RE DEFENDANTS [redacted] JOSEPH DI VARCO, AND [redacted] DENIED. THE FIRST DEFENSE WITNESS TO BE CALLED WAS ATTORNEY [redacted] AND DURING GOVERNMENT CROSS EXAMINATION OF [redacted] HE MADE REFERENCE TO THE NINETEEN FIFTYNINE WHISKY TRIAL OF GERALD COVELLI, AT WHICH TRIAL THE BRIBERY OF THE JUROR OCCURRED AND HIS CLOSING ARGUEMENTS AT THAT TIME WERE PARTIALLY READ. [redacted] AND DEFENSE MADE REFERENCE TO FBI QUOTE PRESSURE END QUOTE ON THIS CASE ALLUDING TO [redacted]'S CLOSING ARGUEMENTS IN NINETEEN FIFTYNINE TRIAL, IN WHICH HE ATTEMPTED TO PLACE BUREAU AGENTS IN A BAD LIGHT.

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REC 67 15-38700-242

USDC JUDGE MICHAEL IGOE TOOK THE STAND AS A CHARACTER WITNESS FOR [redacted]

END PAGE ONE

EX-103

11 DEC 20 1962

53 DEC 27 1962

cc-Benjamin

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DIV. 1-6

DEC 19 9 52 AM '64

F. B. I.
U. S. DEPT. OF JUSTICE

SEC. 81

207

ON EVENING OF TWELVE EIGHTEEN SIXTY TWO AUSA [redacted] ADVISED THIS OFFICE THAT AFTER EXHAUSTIVE REVIEW OF TRANSCRIPT OF [redacted] TESTIMONY HE FEELS IT IS MATERIALLY AT VARIANCE WITH STATEMENTS AND ADMISSIONS MADE DURING INTERVIEW OF [redacted] BY SAS JOHN J. OITZINGER AND ROBERT J. DENEEN IN AUGUST, FIFTY NINE IN [redacted] LAW OFFICE. ALSO [redacted] TESTIMONY OMITS SOME PERTINENT FACTS DEVELOPED IN THIS INTERVIEW. AUSA STRONGLY FEELS TESTIMONY OF BOTH DENEEN AND OITZINGER IS IMPERATIVE TO COUNTER [redacted] TESTIMONY. SA DENEEN PRESENTLY ASSIGNED KANSAS CITY AND THAT OFFICES ADVISES HE IS AVAILABLE TO TESTIFY.

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OK
RBC

UACB SA DENEEN WILL PROCEED TO CHICAGO PRIOR TO NOON, TWELVE NINETEEN SIXTY TWO FOR CONFERENCE WITH AUSA AND SUBSEQUENT TESTIMONY AFTERNOON SAME DATE.

BUREAU WILL BE KEPT ADVISED.

END AND ACK PLS

WA 12-40 AM OK FBI WA JR

KC 11-40 PM CST OK FBI KC GEJ

TU MEN AND CLEARM

RECEIVED
FEDERAL INVESTIGATIVE
DIVISION

DEC 19 12 56 AM '67

F. B. I.
U S DEPT OF JUSTICE

DEC 19 7 37 AM '62

REC'D-CRIMINAL SEC.
F B I.

DEC 19 12 43 AM '62

REC'D--TELETYPE UNIT
F B I

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
DEC 20 1962
TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Casper
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Gale
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 12-20-62 10-21 PM PEO

TO DIRECTOR, FBI 15-38700

FROM SAC, CHICAGO 15-12848 1P

GERALD COVELLI., [redacted] - FUGITIVE ET AL.

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b7C

TFIS- CONSPIRACY -OJ- BRIBERY- MISPRISION OF A FELONY.

CASE GIVEN TO JURY EARLY EVENING TWELVE TWENTY INSTANT. AFTER ABOUT TWO HOURS DELIBERATION VERDICT RETURNED NOT GUILTY FOR ALL THREE DEFENDANTS.

END AND ACK PLS.

WA11-22 PM OK FBI WA HFL

TU DISC

cc. Mr. Rosen

REC. 40
EX-118

15-38700-243

JAN 3 1963

FBI

53 JAN 8 1963

22-3

RECEIVED-EVANS

DEC 20 11

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F B I
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DEC 20 3 38 PM '62

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U. S. DEPT. OF JUSTICE

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F B I

DEC 20 11 23 PM '62

EX 115
REC 84

WOB:RFZ;gc

5

January 4, 1963

Honorable J. Edgar Hoover
Director, Federal Bureau
Of Investigation
Department of Justice
Washington 25, D.C.

3-1
5-1
4-1
9-1

Re: Joseph Vi Varco
[redacted]
Case No. 60 CR 331, ND of Ill.
Conspiracy to bribe a Federal Juror

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b7C

My dear Mr. Hoover:

On December 19, 1962, the above named defendants were acquitted by a Federal Jury after a three-week trial. It should be noted that two of the defendants, Gerald Covelli and [redacted] pleaded guilty to the instant indictment and another defendant, [redacted] disappeared under mysterious circumstances in March of 1960.

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Despite the acquittal of three of the defendants, I wish to bring to your attention the diligent and conscientious performance of the following agents of the Bureau, whose coordinated efforts were of invaluable assistance to the prosecutors in a case which was recognized by the Department as extremely difficult from the outset:

[redacted]	Chicago, Ill. (Supervisor)
	" "
	" "
John Glenville	" "
[redacted]	" "
August Kempff	" "
James O'Connor	Miami, Florida

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b7C

It is always a gratifying experience to enjoy the close

ORIGINAL FILED IN

15-38700
NOT RECORDED
141 JAN 10 1963

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62 JAN 15 1963

cooperation of the Agents of your Bureau, and I would be remiss in the extreme if I failed to note the exceptional efforts of the above mentioned men.

Very truly yours,

JAMES P. O'BRIEN,
United States Attorney

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
JAN 1 6 1963

TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Casper
Mr. Callahan
Mr. Conrad
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

URGENT 1-16-63 2-29 AM LJC

TO DIRECTOR, FBI /15-38700/

FROM SAC, CHICAGO /15-12848/

GERALD COVELLI., ET AL. ~~TFIS~~ Theft from Interstate Shipment ~~DASH~~ CONSPIRACY., ~~OOJ~~ Obstruction of Justice., BRIBERY., MISPRISION OF FELONY.

GERALD COVELLI WITH COURT APPOINTED COUNCIL APPEARED IN UNITED STATES DISTRICT COURT, CHICAGO, ONE FIFTEEN LAST BEFORE THE HONORABLE JUDGE HUBERT L. WILL FOR FINAL DISPOSITION OF ALL PENDING FEDERAL CHARGES.

CONCERNING RULE TWENTY PROCEEDINGS ON FIVE COUNT INDICTMENT b7D
~~PAREN~~ [redacted] IMPERSONATION CASE) ~~ENPAREN~~ PLEA AND ARRAIGNMENT WAS HAD AND COVELLI WAIVED READING OF THE INDICTMENT AND ENTERED PLEA OF GUILTY. COVELLI HAD PRIVIOUSLY ENTERED PLEAS OF GUILTY TO THE BRIBERY CASE ~~PAREN~~ (THREE COUNT INDICTMENT) ~~ENPAREN~~ AND THE TFIS ~~DASH~~ CONSPIRACY CASE ~~PAREN~~ (PEORIA WHISKEY CASE TWO COUNT INDICTMENT) ~~ENPAREN~~.

EX.-116 REC 115-38700-244

13 JAN 17 1963

AT THIS TIME, THE COURT SENTENCED COVELLI TAKING INTO CONSIDERATION THE ONE YEAR HE HAS SERVED [redacted] b6 b7C b7D
[redacted] TO THREE YEARS IN THE CUSTODY OF THE ATTORNEY

END PAGE ONE

JAN 23 1963

MR. BELMONT FOR THE DIRECTOR

55-17

REC'D DE LOACH

F B I REC'D - ROSEN

RECEIVED-EVANS

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

JAN 16 11 14 AM '63

JAN 16 3 32 PM '63

RECEIVED-DIRECTOR
F. B. I.

JAN 16 12 44 PM '63

F B I
U.S. DEPT. OF JUSTICE

JAN 17 12 09 PM '63

JAN 16 8 39 AM '63

U.S. DEPT. OF JUSTICE
F. B. I.

JAN 16 9 25 AM '63

RECEIVED-TOLSON
F B I

JAN 16 10 14 AM '63

REC-D BELMONT
F B I-JUSTICE

PAGE TWO

GENERAL ON EACH OF AFORESAID THREE INDICTMENTS WHICH SENTENCE IS TO RUN CONCURRENTLY. THIS SENTENCE IS TO BE SERVED UNDER SECTION FOUR TWO ZERO EIGHT A TWO, TITLE EIGHTEEN, UNITED STATES CODE. THE TIME TO BE SERVED UNDER THIS SENTENCE BEING AT THE DISCRETION OF THE PAROLE BOARD. PRESS AND T. V. IN ATTENDANCE.

END AND HOLD

CC-MR. ROSEN

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DIVISION

JAN 16 5 38 AM '63

F. B. I.
U. S. DEPT. OF JUSTICE

JAN 16 8 08 AM '63

REC-D BELMONT
F B I - JUSTICE

JAN 16 3 39 AM '63

F B I
REC'D-TELETYPE UNIT

GENERAL INVESTIGATIVE DIVISION

Date: 1/16/63

Covelli is a well-known Chicago hoodlum. He was involved in the theft and disposition of a truck load of whiskey which was hi-jacked in 1958. In connection with his trial in this case he was involved with the bribery of a juror. Also in 1958 in the Pittsburgh area, he was charged with impersonating an FBI Agent. After Covelli was convicted in a car theft ring in Texas [redacted] Incoming reflects Covelli sentenced to three years custody of the Attorney General on each of the indictments in these cases to run concurrently.

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Report Form
FD-263 (5-12-55)

4-29-60

FEDERAL BUREAU OF INVESTIGATION

Reporting Office	Office of Origin		Investigative Period
CHICAGO	CHICAGO	/10/63	10/17 - 12/26/62

TITLE OF CASE

GERALD COVELLI; [redacted] - FUGITIVE; ET AL

Report made by: SA [redacted]

Typed By: blg

b6 b7C

CHARACTER OF CASE

TFIS - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISION OF A FELONY

1-23-63

REFERENCES: Report of SA [redacted] dated 10/10/62, at Chicago.
Chicago teletypes to the Bureau, dated 11/29, 12/3, 5, 7, 11, 18, and 12/20/62.

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- P -

ENCLOSURES

TO BUREAU (3)

One copy of Disposition Sheet for subject JOSEPH DI VARCO.

One copy of Disposition Sheet for subject [redacted]

One copy of Disposition Sheet for subject [redacted]

b6 b7C

DISPOSITION SHEET DETACHED AND HANDLED SEPARATELY

EXPORT

Approved	Special Agent In Charge	Do not write in spaces below

Copies made:
1 - Bureau (15-38700) (Encls. 3)
1 - USA, Chicago
2 - [redacted] (47-2548) (Info)
(1 - USA, [redacted])
1 - Springfield (15-1943) (Info)
2 - Chicago (15-12848)

FBI
REC-5 CHI 15-38700-245
REC-54
52 10 3 PM '63
11 JAN 16 1963
118
b7D

FUGITIVE

54
53 FEB 4 1963

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F B I

[redacted]

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[redacted]

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[redacted]

[redacted]

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JAN 28 3 34 PM '63
F B I
VOUCHER-STATISTICAL SEC.

[redacted]

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[redacted]

[redacted]

FEDERAL BUREAU OF INVESTIGATION

LEADS

[redacted]

AT [redacted] INFORMATION

One copy of this report is being designated for the [redacted] Division for information purposes in view of the fact that GERALD COVELLI is the subject of an impersonation case [redacted] which case is currently in a pending inactive status awaiting the outcome of prosecutive action in Chicago.

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One copy is also designated for the United States Attorney, [redacted]

SPRINGFIELD

AT SPRINGFIELD, ILLINOIS - INFORMATION

One copy of this report is being designated for the Springfield Division for information purposes in view of the fact that the whiskey trial was held in that area and also the fact that all Government exhibits are in the court's custody at Peoria, Illinois. It is noted also that prosecutive action concerning subject JOSEPH "RUFFY" LISCIANDRELLO is pending at that location.

CHICAGO

AT CHICAGO, ILLINOIS. 1. Will follow the appeal regarding defendants convicted in the whiskey conspiracy case at Peoria, Illinois.

2. Will maintain close contact with Assistant United States Attorney [redacted] who is presently handling this matter regarding prosecutive action concerning subject JOSEPH LISCIANDRELLO.

ADMINISTRATIVE

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Immigration and Naturalization Service, Chicago, in the person of Agent [redacted] is presently investigating the possibility of deportation proceedings against JAMES ALLEGRETTI. Contact will be maintained with [redacted] regarding any current developments concerning the above matter.

It is noted that the period in this report is rather extensive; however, all leads in this matter have been handled in expeditious fashion with the Bureau being kept advised by the most expeditious means of communication such as airtels and daily teletypes during the trial period.

The focal point of attention in this matter was being given during the pertinent period to the location of Government witnesses and the preparation of this case for trial which took place from December 3, through 20, 1962.

For the purpose of brevity and economy in this report the witnesses and details of the trial which took place in Chicago, Illinois, from December 3, through 20, 1962, are not being set forth inasmuch as a daily transcript of all testimony in this case was maintained during the trial and a copy of which is available to the Chicago Office if needed.

Regarding GERALD COVELLI: Final disposition of Federal charges pending against GERALD COVELLI is set for January 15, 1963. This includes the Theft from Interstate Shipment - Conspiracy case, the Bribery case, and the Pittsburgh Impersonation case. The Probation Department at Chicago, which is doing a pre-sentence investigation on COVELLI, has indicated to the United States Attorney's Office that after sentencing of COVELLI, Judge HUBERT L. WILL will direct correspondence to appropriate Federal agencies who are concerned with this matter, namely the FBI, Bureau of Prisons, and Justice Department, advising regarding COVELLI's place of incarceration, his cooperation etcetera for whatever action deemed appropriate.

Regarding the Bribery trial just concluded: The United States Attorney's Office at Chicago, after a careful analysis of the Bribery trial which was concluded in United States District Court, Chicago, on December 20, 1962, and in conversation with Judge HUBERT L. WILL and interested observers from the press, have concluded that the turning point of this trial was the testimony of two Federal judges in behalf of defendant [redacted] The two judges, namely Judge MICHAEL L. IGOE who testified for defendant [redacted] as a character witness and upon leaving the stand shook hands with the defendant in the presence of the jury, and Judge J. SAMUEL PERRY who testified substantively for defendant [redacted] Judge PERRY's testimony was such that it

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expressed his thoughts and beliefs etcetera regarding defendant [redacted] action during the initial trial of COVELLI in January, 1959. The United States Attorney's Office has directed correspondence to the Department regarding the above, and this is brought to the attention of the Bureau in the event the Department should make any reference to this matter. b6 b7C

It is noted that investigation was conducted to locate Government witness [redacted] which resulted in his location in [redacted] For the purpose of brevity in this report correspondence between the Bureau, Philadelphia, Los Angeles, [redacted] regarding the above matter is not being set forth, and it is incorporated in the case file. b6 b7C b7D

Also in this regard investigation was conducted at the request of the United States Attorney's Office, Chicago, regarding potential defense witnesses as part of the trial preparation concerning the Bribery case with other Bureau offices, namely Springfield, Milwaukee, St. Louis, and New York participating. This material is incorporated in the case file and in line with brevity and economy is not being set forth.

FD-204 (Rev. 3-3-59)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago
1 - USA, [redacted]

Report of: SA [redacted]
Date: 1/10/63

Office: Chicago

Field Office File No.: 15-12848

Bureau File No.: 15-38700

Title: GERALD COVELLI;
[redacted] ET AL

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Character: THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISION OF A FELONY

Synopsis:

Regarding 60CR331 (the Bribery case): On 11/30/62, GERALD COVELLI with counsel appeared in United States District Court (USDC), Chicago, before the Honorable Judge HUBERT L. WILL for plea and arraignment. COVELLI entered a plea of guilty to the three count indictment and pre-sentence investigation was ordered with disposition on 12/28/62. On this date disposition continued to 1/15/63, regarding all pending charges against COVELLI, namely the whiskey case, the bribery case, and the Pittsburgh impersonation case. Regarding defendants JOSEPH DI VARCO, [redacted] Jury trial in this matter was held in USDC, Northern District of Illinois, Eastern Division, at Chicago, before the Honorable Judge HUBERT L. WILL from 12/3 through 20/62. The case was given to the jury 12/20/62. On the same date the jury returned a verdict of not guilty for all three defendants on three counts in the indictment which is violation of Sections 2 and 371, Title 18, United States Code. Regarding 60CR332 (the Whiskey case): Appeal of the conviction in USDC, Peoria, Illinois, on 6/26/62, regarding defendants JAMES ALLEGRETTI, [redacted] and FRANK LISCIANDRELLO is pending. Prosecutive action regarding JOSEPH "RUFFY" LISCIANDRELLO, who was severed from the above case at time of trial due to ill health, is pending in Peoria, Illinois. Disposition Sheets regarding bribery defendants submitted.

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This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

DETAILS: AT CHICAGO, ILLINOIS

Weekly conferences were held in the preparation of this matter for trial with former Assistant United States Attorney (AUSA) [redacted] and with AUSAs [redacted] beginning October 17, 1962, up to the trial period of December 20, 1962. During this time discussion was had concerning the location of prospective Government witnesses in this matter along with other details in the preparation of a complex case of this type for trial.

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Prosecution

Regarding the Bribery Case 60CR331

The Clerk of the Courts Records at Chicago, Illinois, under the heading of Proceedings in Criminal Docket 60CR331, on November 19, 1962, as checked by SA [redacted] reflected the following information regarding defendants DI VARCO, [redacted]

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On October 23, 1962, an order was entered regarding the defendants' motion to rule on the Government to file Bill of Particulars pursuant to order of October 2, 1962, within a short date. This was entered and continued to October 25, 1962, at 10:00 AM.

On October 25, 1962, motion of defendant DI VARCO to rule on the Government to file Bill of Particulars pursuant to order of October 2, 1962, within a short date taken under advisement by the court. Also on this date the Government entered a motion to vacate the order of October 2, and for leave to file an amended response. This was also taken under advisement by the court. An order was entered for the defendants to file answering memoranda regarding said motions within five days.

On October 30, 1962, on motion of defendant DI VARCO the time limit for filing preliminary motions was extended to November 5, 1962.

On November 5, 1962, memoranda of the defendants was filed in opposition to the Government's motion to vacate the order granting Bill of Particulars.

On November 13, 1962, Attorney [redacted] was granted leave to withdraw his appearance in behalf of defendant [redacted] and as attorney for defendant [redacted] the appearance of Attorney [redacted] was filed. Also on this date an order was entered by the court setting this matter for trial on December 3, 1962, at 10:00 AM.

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On November 30, 1962, GERALD COVELLI with counsel appeared in USDC, Chicago, before the Honorable Judge HUBERT L. WILL for plea and arraignment regarding the three count bribery indictment. At this time defendant COVELLI entered a plea of guilty to all three counts at which time [redacted] with the court ordering a pre-sentence investigation with disposition on December 23, 1962.

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On December 23, 1962, the court continued this matter for final disposition to January 15, 1963, regarding all pending Federal charges against COVELLI, namely the whiskey case, the bribery case, and Rule 20 proceedings regarding the Pittsburgh impersonation case.

Regarding Defendants JOSEPH DI VARCO, [redacted]

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Jury trial in this matter was held in USDC, Northern District of Illinois, Eastern Division, at Chicago, before the Honorable Judge HUBERT L. WILL from December 3, through the 20, 1962. This case was given to the jury early evening of December 20, 1962. On the same date, the jury returned a verdict of not guilty for all three defendants on the three counts in the indictment which is violation of Sections 2 and 371, Title 18, United States Code. Judge WILL at that time, in accordance with the jury verdict, entered an order for acquittal of aforesaid three defendants.

Disposition Sheets are submitted regarding the above subjects.

Regarding the Whiskey Case 60CR332

Appeal of the convictions of the judgment of guilty in USDC, Peoria, Illinois, on June 26, 1962, regarding defendants JAMES ALLEGRETTI, [redacted] and FRANK LISCIANDRELLO is pending. The record was docketed

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on September 24, 1962, and appellants brief is in the process of being filed.

AUSA [redacted] advised on December 26, 1962, that prosecutive action regarding defendant JOSEPH "RUFFY" LISCIANDRELLO is pending, and the Government would secure the services of a doctor who specializes in asthmatic conditions for a report on the health of LISCIANDRELLO who was severed from this matter when trial took place in Peoria, Illinois. b6 b7C

Investigation Conducted During the Course of the Trial and Prior Thereto Concerning the Bribery Case

FD-302 (Rev. 1-25-60)

FEDERAL BUREAU OF INVESTIGATION

Date 10/31/62

On October 31, 1962, [redacted] b6 b7C b7D

[redacted] advised that a subpoena duces tecum for the above record should be directed to [redacted] Superintendent of Police, Chicago Police Department, requesting all personnel records and supporting documents and an officer assigned to the Personnel Section of the Chicago Police Department will respond to this subpoena. b6 b7C

On 10/31/62 at CHICAGO, ILLINOIS File # 15-12848

by Special Agent JAMES H. THOMPSON/BJK Date dictated 10/31/62

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FD-302 (Rev. 1-25-60)

1

FEDERAL BUREAU OF INVESTIGATION

Date November 29, 1962

[redacted]

b6
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b7D

[redacted] advised that the person to subpoena in connection with these records is [redacted] Chicago Traffic Engineer in the office of the Department of Streets and Sanitation.

On 11/28/62 at Chicago, Illinois File # CG 15-12848

by SA [redacted] JVR Date dictated 11/29/62

b6
b7C

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FD-302 (Rev. 1-25-60)

FEDERAL BUREAU OF INVESTIGATION

Date 11/29/62

[redacted] Executive Vice President, Newcomb, Macklin, 400 North State St., who resides at [redacted] advised that [redacted] 405 and 407 North State St., Chicago. The Chicago Sponge Company [redacted] by [redacted] is currently located at 405 North State St., while the Weinzelbaum Decorating Company is located at 407 North State St. The Abbott Window Washing Service was located at 405 North State St. from June, 1958, to October, 1958, and at 407 North State St. from October, 1958, to May, 1962. The Abbott Window Washing Service was known as the A. Adkins Window Washing Service after June, 1960, and was [redacted]

The Sterile Glass Company [redacted] was located at 405 North State St. from October, 1958, to August, 1959.

[redacted] advised [redacted] at 405 and 407 North State St. since [redacted] He has never renovated these premises and the premises have never undergone any extensive remodeling. [redacted] is aware of the connecting doors between 405 and 407 North State St. and these doors have been in this location since [redacted]

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b6
b7C

On 11/29/62 at CHICAGO, ILLINOIS File # CG 15-12848

by Special Agents [redacted] and Date dictated 11/29/62

ROBERT L. BAKER/BJK

b6
b7C

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FD-302 (Rev. 1-25-60)

FEDERAL BUREAU OF INVESTIGATION

1.

Date 12/4/62

[redacted] Star Number [redacted] Chicago Police Department, furnished the following information regarding an incident that took place in January, 1959:

He recalls that [redacted] who at that time was working for Hertz Rent-A-Car Service, entered the Greek Restaurant located at State and Kinzie. To the best of his recollection this was around January 20, 1959. The three of them entered and sat down at a table next to where MAX OLSHON, GERALD COVELLI, and another individual, unknown to [redacted] were sitting.

[redacted] has known MAX OLSHON and GERALD COVELLI, and they immediately recognized him. COVELLI, OLSHON, and the other individual were at the table approximately five minutes at which time they all got up and went outside where [redacted] observed them to hail a taxicab and the taxicab went west. During the time that they were sitting at the table adjoining [redacted] table, no conversation was over heard and there was no indication that anything unusual took place while COVELLI, OLSHON, and the other individual were at the table.

[redacted] recalls that [redacted] had had no previous occasion to know COVELLI or OLSHON or the other individual and neither did [redacted]

[redacted] said that [redacted] now works for the Avis Car Rental Company, and [redacted] is no longer with the Chicago Police Department.

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On 12/3/62 at Chicago, Illinois File # CG 15-12848

SAs AUGUST C. KEMPEF and

by [redacted] mhh Date dictated 12/4/62

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b7C

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FD-302 (Rev. 1-25-60)

FEDERAL BUREAU OF INVESTIGATION

1.

Date 12/4/62

[redacted] Bail Bondsman, 1019 South State Street, was contacted.

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He was asked if he knew anything about the bribery of a juror in the GERALD COVELLI whiskey case in January of 1959. [redacted] declined to comment in answer to the question and respectfully declined to talk about the matter in any way.

On 12/3/62 at Chicago, Illinois File # CG 15-12848

by SAs AUGUST C. KEMPFF and [redacted]/mhh Date dictated 12/4/62

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b7C

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FD-302 (Rev. 1-25-60)

FEDERAL BUREAU OF INVESTIGATION

1.

Date 12/4/62

[redacted] 1601 South State Street, who rents the store at 1607 South State Street, to A. Abbott Store Fixture Company, was interviewed. He stated [redacted] the Clerk's Office at 26th and California in Chicago. [redacted] the building to JOSEPH DI VARCO and [redacted]

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He sees DI VARCO almost every day and sees [redacted] only from time to time. He understands that [redacted] also has an interest in A. Abbott, but he sees [redacted] only occasionally.

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He pointed out that the company owes him rent for the months of October and November, and when he contacts DI VARCO, DI VARCO tells [redacted] to see [redacted] inasmuch as [redacted] handles all of the bills. He in turn will contact [redacted] who tells him to see DI VARCO because DI VARCO is the boss and signs all the checks. It is difficult for [redacted] to get them both together in order to obtain his rent money for the building.

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[redacted] stated that at no time has DI VARCO ever discussed the bribery of a juror matter arising from the GERALD COVELLI whiskey case trial in January of 1959.

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A photograph of [redacted] was exhibited to him and he stated he knew [redacted] but not too well, and [redacted] had never discussed the above bribery of a juror matter with him.

A photograph of GERALD COVELLI was exhibited to him, and he stated he had never seen COVELLI at A. Abbott Store Fixture Company. [redacted] said that COVELLI must have been a newcomer because he does not recall seeing him in the Rush Street area where [redacted] used to work.

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A photograph of MAX OLSHON was exhibited to him, and [redacted] said he recalls OLSHON from some place but doesn't recall when he met him. [redacted] is not sure that OLSHON and

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On 12/3/62 at Chicago, Illinois File # CG 15-12848

by SAs AUGUST C. KEMPFF and [redacted] /mhh Date dictated 12/4/62

b6
b7C

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he ever had any conversation, but is positive that the bribery of a juror matter was never discussed.

[redacted] said that his contact with [redacted] has been limited to a business level and even though he sees DI VARCO almost every day, their discussions are strictly non-personal in nature and he neither asks DI VARCO anything about his personal life or that which he might be involved in and neither does DI VARCO volunteer any information. The topics of conversation are very general in nature and have to do with politics and other related general things.

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FD-302 (Rev. 1-25-60)

1

FEDERAL BUREAU OF INVESTIGATION

Date 12/6/62

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On December 6, 1962, [redacted] with offices at [redacted] was telephonically contacted for the purpose of obtaining an appointment to interview him.

He insisted on knowing the reason for the interview and he was told that it was regarding the bribery of a juror matter involving GERALD COVELLI.

He declined to have a meeting, interview or conference of any kind with either the Government or the defense.

On 12/6/62 at Chicago, Illinois File # CG 15-12848

by SA [redacted] plb Date dictated 12/6/62

b6
b7C

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FD-302 (Rev. 1-25-60)

FEDERAL BUREAU OF INVESTIGATION

1

Date 12/6/62

[redacted] Attorney, telephonically contacted the agent and stated he was [redacted] attorney. He had advised his client to stand on his Constitutional rights and take the Fifth Amendment in the event his client is subpoenaed to testify for the Government in the bribery of a juror matter. This was in relation to the agent calling [redacted] for the purpose of setting up an appointment for an interview regarding the above matter.

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b7C

On 12/6/62 at Chicago, Illinois File # CG 15-12848

by SA [redacted] plb Date dictated 12/6/62

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b7C

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FD-302 (Rev. 1-25-60)

FEDERAL BUREAU OF INVESTIGATION

Date December 14, 1962

[redacted] advised that he was approached by [redacted] in November, 1962, in regards to a former head injury received by [redacted] as a result of an automobile accident during the summer of [redacted] complained of having convulsions and headaches. [redacted] decided to place [redacted] in a hospital for observation, and she was hospitalized for a few days during [redacted] at Grant Hospital in Chicago. [redacted] stated that [redacted] may be suffering from a possible partially atrophied [redacted] She has suffered no convulsions since this hospitalization but complains of having dizzy spells. To counteract this dizziness, [redacted] has been administering four dilatin pills daily which he cut to two pills daily on December 13, 1962. [redacted] is not working now and has not worked since her hospitalization due to these alleged dizzy spells.

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[redacted] concluded that he considers [redacted] He cautioned, however, that any excitement could possibly trigger another convulsion.

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On 12/13/62 at Chicago, Illinois File # CG 15-12848

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Sig [redacted] and

by [redacted] JVR Date dictated 12/14/62

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On November 28, 1962, [redacted], advised SAs ROBERT L. BAKER and [redacted] that he would appear in the office of AUSA [redacted] at 9:00 AM on November 29, 1962. b6 b7C

On November 28, 1962 [redacted] Weinzelbaum Decorating Company, 407 North State Street, advised Bureau Agents BAKER and [redacted] that his company had been located at 407 North State Street since September 1, 1962. Mail has been received by the Weinzelbaum Company for the A-Abbott Window Washing Service, 407 North State Street, Chicago. The Weinzelbaum Company was formerly located at 2841 North Broadway, Chicago. b6 b7C

On November 28, 1962, [redacted] Executive Vice-President, Newcomb-Macklin Company, 400 North State Street, advised that he [redacted] of the premises encompassing 405 and 407 North State Street. The Chicago Sponge Company, [redacted] is currently located at 405 North State Street, while the Weinzelbaum Decorating Company is located at 407 North State Street. [redacted] considers the owners of both of these companies to be reliable, reputable businessmen. [redacted] was agreeable for AUSA [redacted] to contact him and thereafter examine the premises located at 405 and 407 North State Street. [redacted] mentioned that the Sterile Glass Company, [redacted] was formerly located at 405 North State Street but has been out of business for approximately three years. The A-Abbott Window Washing Service, [redacted] was formerly located at 407 North State Street and has been out of business for approximately one and one half years. b6 b7C

On December 3, 1962, SA [redacted] contacted [redacted] Personnel Director for the Sherman Hotel, who advised that available personnel records were only current for the past ten years. In line with the above, no identifiable record was located at that time concerning a [redacted] who was alleged to have been employed there back in [redacted] b6 b7C

FD-302 (Rev. 1-25-60)

FEDERAL BUREAU OF INVESTIGATION

1

12/10/62

Date

[redacted] stated that she recently has been in bad health and had to be taken to the Grant Hospital in Chicago over Thanksgiving, November 22, 1962, when she suffered from convulsions and her breathing stopped. Her doctor was [redacted] with offices at 1207 North Clark Street. She understood from her doctor that her condition was probably brought on by the automobile accident she was involved in on the Outer Drive in Chicago in September, 1962, at which time she temporarily lost the power of speech. She said this accident may have brought out the effects of a more serious automobile accident she had about twelve years ago. She stated at this time that she is presently under doctor's treatment and that she takes seditives. Her doctor has stated that she needs approximately two years of rest. At the present time she has discontinued her employment temporarily which [redacted]

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She stated that the involvement [redacted] in criminal trials particularly the case currently on trial in Chicago has [redacted] She went on to say that she considers COVELLI to be "a rotten individual" with whom she wants nothing to do. She said the others involved in the trial are just as "rotten", and she wants nothing to do with any of them and just wants to forget everything connected with COVELLI and his associates.

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On 12/4/62 at Chicago, Illinois File # CG 15-12848

SAs [redacted]

by JAMES L. O'CONNOR/blg Date dictated 12/4/62

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[redacted] advised SA [redacted] on November 30, 1982, that she was currently employed at Dominick's Finner Food Market at 7501 West North Avenue as a cashier and her residence is [redacted]

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OPTIONAL FORM NO. 10
5010-104-01

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (47-47888) (15-38700)

DATE: 2/27/63

FROM : SAC, CHICAGO (15-12848)

SUBJECT: GERALD COVELLI; [redacted]
FUGITIVE; ET AL
TFIS - CONSPIRACY; OOJ;
BRIBERY; MISPRISON OF A FELONY

b6
b7C

Re Bureau letter to Chicago dated 2/8/63 requesting information as to whether the U. S. Attorney still desires Federal process remain outstanding for [redacted]

The matter of [redacted] was discussed with Assistant United States Attorney [redacted] Chicago, Illinois, on February 15, 1963.

Assistant United States Attorney [redacted] advised that at the present time he is of the opinion that the indictment regarding [redacted] should remain in force so that the Statute of Limitations would not run out. He stated that if said indictment were dismissed the Statute of Limitations would run out on this offense regarding [redacted] in January, 1964, and thereafter no prosecution could take place.

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[redacted] observed that the matter of [redacted] [redacted] disappearance severely jeopardized the outcome of the bribery case as the defense then contended that GERALD COVELLI bribed [redacted] He stated that he realized the disappearance of [redacted] is "an unknown quantity" in that all indications are that [redacted] is dead; however, there is no conclusive proof of this at this time.

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Assistant United States Attorney [redacted] concluded that because of the magnitude of the offense charged, the indictment should remain in force so that in the event [redacted] is ever located he could be brought to

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(2) - Bureau
1 - Chicago

WDW:mmf
(3)

NOT RECORDED
98 MAR 5 1963

FUG. SUP.

ORIGINAL FILED IN 47-47888-33

MAR 5 1963

justice. However, since this is the main purpose, that is the Statute of Limitations running, it would not be frugal to conduct a full scale fugitive investigation, but appropriate stops should remain in force.

Report Form
FD-72 (5-12-55)

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE	OFFICE OF ORIGIN	DATE	INVESTIGATIVE PERIOD
CHICAGO	CHICAGO	2-4-63	1/10 - 28/63

TITLE OF CASE

GERALD COVELLI;
[redacted]
FUGITIVE; ET AL

REPORT MADE BY [redacted]

TYPED BY k:

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b7C

CHARACTER OF CASE

TFIS - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISION OF A FELONY

REFERENCES: Report of SA [redacted] dated 1/10/63, at Chicago.
Chicago teletype to the Bureau dated 1/15/63.

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- P -

ENCLOSURES

TO BUREAU

Three (3) copies of a parole report for subject GERALD COVELLI.

One (1) copy of a disposition sheet regarding GERALD COVELLI.

LEADS

HOUSTON - INFORMATION

One copy of this report is designated for the Houston

ORIGINAL FILED IN 47-47888-38

APPROVED	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW
		15-38700
		NOT RECORDED 192 FEB 13 1963

COPIES MADE:
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(1 - 15-38700) (Encl.4)
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1 - USA, Chicago
1 - Houston (26-8350) (INFO)
5 - [redacted] (2 - 47-2584)
(1 - USA, [redacted]
(1 - 26-16999)
(1 - 26-17636)
1 - Springfield (15-1943) (INFO)
4 - Chicago (2-15-12848)
(1-47-5737)
(1-26-29843)

b7D

50 FEB 15 1963

PROPERTY OF FBI.—This report is loaned to you by the FBI, and neither it nor its contents are to be distributed outside the agency to which loaned.

Division for information in view of disposition of this matter regarding GERALD COVELLI and return of ITSMV files to that Division.

[redacted] b7D

AT [redacted] Ascertain from state and local authorities (Beaver County) if there are any pending local charges against GERALD COVELLI as it is the court and United States Attorney's opinion that when COVELLI is released at the termination of his current sentence he will be a free man.

SPRINGFIELD - INFORMATION

One copy of this report is being designated for the Springfield Division for information purposes in view of the fact that the whiskey trial was held in that area and also the fact that all Government exhibits are in the court's custody at Peoria, Illinois. It is noted also that prosecutive action concerning subject JOSEPH "RUFFY" LISCIANDRELLO is pending at that location.

CHICAGO

AT CHICAGO, ILLINOIS. 1. Will follow the appeal regarding defendants convicted in the whiskey conspiracy case.

2. Will maintain close contact with Assistant United States Attorney [redacted] who is presently handling this matter, regarding prosecutive action concerning subject JOSEPH LISCIANDRELLO. b6 b7C

COVER PAGE

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago
1 - USA, [redacted]

Report of: SA [redacted] Office: Chicago, Illinois
Date: 2-4-63

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Field Office File #: 15-12848 Bureau File #: 15-38700

Title: GERALD COVELLI [redacted] ET AL

Character: THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISION OF A FELONY

Synopsis:

Subject GERALD COVELLI with court appointed counsel appeared in United States District Court, Chicago, Illinois, at 2 p.m. on 1/15/63, before Federal Judge HUBERT L. WILL for final disposition of all pending federal charges. Regarding Rule 20 proceedings on five count indictment, four counts of which are violations of Section 912 and one count of which is violation of Section 913, Title 18, United States Code (Pittsburgh impersonation case) Chicago Docket Number 63CR25, plea and arraignment was had and COVELLI waived reading of indictment and entered plea of guilty. COVELLI had previously entered pleas of guilty to the bribery case, three count indictment, violation of Sections 2 and 371, Title 18, United States Code, Criminal Docket Number 60CR331, and the TFIS - Conspiracy case, two count indictment violation of Sections 2 and 659, Title 18, United States Code, Criminal Docket Number 60CR332. At this time the court sentenced COVELLI, [redacted] to three years in the custody of the Attorney General on each of aforesaid three indictments, which sentence is to run concurrently. This sentence is to be served under the provisions of Section 4208A2, Title 18, United States Code, the time to be served under this sentence being at the discretion of the Parole Board. Three convictions.

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- P -

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CG 15-12848

DETAILS: AT CHICAGO, ILLINOIS

Subject GERALD COVELLI with court appointed counsel, [redacted] appeared in United States District Court, Chicago, Illinois, at 2 p.m. on January 15, 1963, before the Honorable Judge HUBERT L. WILL for final disposition of all pending federal charges. In this regard the first matter brought before the court was the Rule 20 proceedings regarding the [redacted] impersonation case which was a transfer case from the [redacted] Division. This consisted of a five count indictment, four counts of which were violations of Section 912 and one count of which was a violation of Section 913, Title 18, United States Code, Chicago Docket Number 63CR25. Regarding this indictment, at this time plea and arraignment was had and COVELLI, through his attorney, waived reading of the indictment and entered a plea of guilty. The court at this time accepted the plea of guilty and apprised the defendant COVELLI of the penalty involved concerning this indictment, namely 15 years and/or $5,000 fine.

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It was brought to the court's attention that COVELLI had previously entered pleas of guilty to the bribery case three count indictment, violation of Sections 2 and 371, Title 18, United States Code, Chicago Docket Number 60CR331, and the theft from interstate shipment - conspiracy case, which is a two count indictment, violation of Sections 2 and 659, Title 18, United States Code, Chicago Docket Number 60CR332.

At this time COVELLI was allowed to address the court along with his counsel, [redacted]

The Government in the person of Assistant United States Attorney [redacted] advised the court that the Government does not normally take a stand in matters such as this, however in this case the Government would prefer to talk in mitigation rather than as so often happens aggravating circumstances. At this time the court was apprised by the Government regarding [redacted] in the bribery trial previously before the court as well as the theft from interstate shipment - conspiracy case which took place in Peoria, Illinois.

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The court in the person of Judge WILL observed that it has had benefit of a voluminous pre-sentence report concerning COVELLI and was cognizant of all the things as stated by the defense and the Government. Judge WILL stated that it was incumbent upon the court to have further information available for the authorities prior to discharging COVELLI such as a stable residence, psychological attitude, etc. In view of the above the court noted that this was not a matter which justified probation.

At this time the court sentenced COVELLI, taking into consideration the one year he has served [redacted] to three years in the custody of the Attorney General on each of aforesaid three indictments, which sentence is to run concurrently. This sentence is to be served under the provisions of Section 4208A2, Title 18, United States Code, the time to be served under this sentence being at the discretion of the Parole Board.

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Bulky Exhibit - Inventory of Property Acquired as Evidence
FD-192 (Rev. 12-5-58)

CG 4-29-60

Date February 1, 1963

☐ *Check, when submitting semiannual inventory, if no previous correspondence with Bureau.*

Bufile	Field Division
15-38700	CHICAGO

Title and Character of Case

GERALD COVELLI; [redacted]
FUGITIVE; ET AL [redacted]
TFIS - CONSPIRACY; OOJ; MISPRISION OF FELONY

b6
b7C

Date Property Acquired	Source From Which Property Acquired
2/28/58	Wooden shed on the [redacted]

Location of Property or Bulky Exhibit	Reason for Retention of Property and Efforts Made to Dispose of Same
Bulky Exhibit Room	Evidence to be destroyed on completion of court action.

Description of Property or Exhibit and Identity of Agent Submitting Same

Submitted by SA OTTO T. HANDWERK

1 — 11½" Butcher knife, 7" stainless steel blade with wood handle, printed on blade "Goodell Company."

17 — Pieces of brown cardboard with torn edges. Each piece contained black stencil printing "Gold Seal Liq's Chicago, Illinois"

17 — Pieces of brown cardboard with torn edges. Each piece contained black stenciling "Whiskey" and each piece had a number as follows:

J 589084	J 589319	J 589058	J 589075
J 589411	J 589067	J 589553	J 589198
J 589060	J 589746	J 589196	J 589301
		J 589066	J 589056
		J 589057	J 589190
		J 589560	

JHL/dmj
(5)

TO DEPT. OF JUSTICE
FEB 15 1 04 PM
15-38700
NOT RECORDED
13 FEB 11 1963
EXC. SUP.

Field File # 15-12848-1B6

351

FD-302 (Rev. 10-6-58)

FBI
U S DEPT OF JUSTICE
FEB 12 10 38 AM '63

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
FEB 12 1 04 PM '63

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

F.B.I.
U.S. DEPT. OF JUSTICE

(2)
JHT\gcl

		1 288200	
		1 288024	1 288160
		1 288002	1 288202
1 288010	1 288162	1 288161	1 288201
1 288014	1 288024	1 288163	1 288164
1 288014	1 288018	1 288023	1 288042

case piece had a number as follows:
piece constructed black aluminum "Wurlitzer" and
piece to which certificate with form cables. Each

piece constructed black aluminum "Wurlitzer" and
piece to which certificate with form cables. Each

Piece constructed black aluminum painting "Lake
Michigan Chicago, Illinois"

Bufofax Mailed, "V" stamp affixed face plate with
"Goodell Company"
wood handle, painted on back "Goodell Company"

b1

b1

b1

submitted by SA OTTO J. HANDMANN

Dallas Exhibit Room	Evidence to be destroyed on completion of court action.

b6
b7C

[redacted]

Wooden base on the [redacted]

62/63/3

CHICAGO

CRIMINAL COURTESY: [redacted]
FUGITIVE: DL TA
FBI - CONSPIRACY; DOD; MISSISSIPPI TO VIOLATE
XNOAT

FD-302(Rev. 10-6-58)

Bulky Exhibit - Inventory of P[illegible]red as Evidence
FD-192 (Rev. 12-5-58)

CG 4-29-6[illegible]

[illegible]ebruary 1, 1963

☐ *Check, when submitting semiannual inventory, if no previous correspondence with Bureau.*

Bufile	Field Division
15-38700	CHICAGO

Title and Character of Case
GERALD COVELLI; [redacted]
[redacted] - FUGITIVE; ET AL
TFIS - CONSPIRACY; OOJ; MISPRISION OF FELONY

b6
b7C

Date Property Acquired	Source From Which Property Acquired
2/28/58	A wooden shed on the [redacted]

Location of Property or Bulky Exhibit	Reason for Retention of Property and Efforts Made to Dispose of Same
Bulky Exhibit Room	Evidence to be destroyed on completion of court action.

Description of Property or Exhibit and Identity of Agent Submitting Same

One empty Sunnybrook Whiskey carton which formerly contained half-pint bottles of Sunnybrook Whiskey.

Submitted by SA OTTO T. HANDWERK, Jr.

JHL/dmj
(5)

15-38700

NOT RECORDED
FEB 11 1963

FEB 15 1 OF [illegible]

Field File # 15-12848-1B7

FEB 13 1963

FBI
DEPT OF JUSTICE

FEB 12 10 30 AM '63

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

FEB 12 1 04 PM '63

F.B.I.
U.S. DEPT. OF JUSTICE

JHL\dmt
(2)

Submitted by SA OTTO T. HANDWERK, Jr.

One empty Schnapproot Whiskey carton which formerly contained
half-pint bottles of Schnapproot Whiskey.

EXHIBIT\SS\Hallway Room	Evidence to be destroyed on completion of court action.
8\28\28	A wooden spad on the [redacted]

[redacted]

GERALD COAFLIN: [redacted]
[redacted] - FACILITAT; ET AL
TITLE - CONSPIRACY; ITOL; MISPRISION OF FELONY

12-38100	CHICAGO

February 1, 1963

b6
b7C

FD-263 (Rev. 5-1-59)

4-27-60

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE	OFFICE OF ORIGIN	DATE	INVESTIGATIVE PERIOD
CHICAGO	CHICAGO	5/13/63	2/26 - 5/13/63

TITLE OF CASE

GERALD COVELLI; [redacted]
FUGITIVE; ET AL

REPORT MADE BY: [redacted]

TYPED BY: sck

CHARACTER OF CASE

TFIS - CONSPIRACY; OOJ; BRIBERY; MISPRISION OF A FELONY

520-63

b6
b7C

REFERENCES: Report of SA [redacted] dated 2/4/63 at Chicago.
[redacted] airtel to Chicago dated 2/11/63 (IO).
Chicago letter to the Bureau dated 2/27/63.
Chicago letter to Houston dated 4/12/63. (IO).

- P -

LEADS

[redacted] - INFORMATION

One copy of this report is being designated for the [redacted] Division for information purposes in view of the fact that the USA's Office, Chicago, has been in contact, both telephonic and by letter, with the USA's Office, [redacted] regarding any detainers that might be outstanding against GERALD COVELLI in that area. The USA's Office, Chicago, has also contacted telephonically and directed a letter dated 4/9/63 to [redacted] District Attorney, [redacted] County

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APPROVED: MWJ SPECIAL AGENT IN CHARGE

COPIES MADE:
1 - Bureau (15-38700)
1 - USA, Chicago
1 - [redacted] (47-2584) (Info)
1 - Springfield (15-1943) (Info)
2 - Chicago (15-12848)

DO NOT WRITE IN SPACES BELOW

15-38700-246

REC-36

EX-112

9 MAY 16 1963

DISSEMINATION RECORD OF ATTACHED REPORT

AGENCY				
REQUEST RECD.				
DATE FWD.				
HOW FWD.				
BY				

NOTATIONS

FUGSUP

STAT SECT

FBI

U.S. DEPT OF JUSTICE

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

MAY 20 12 01 PM '63

MAY 21 11 40 AM '63

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

U.S. DEPT [redacted]

MAY 28 4 51 PM '63

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

U.S. DEPT. OF JUSTICE

[redacted]

[redacted]

[redacted]

[redacted]

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[redacted]

MAY 17 8 36 AM '63

F.B.I.
VOUCHER-STATISTICAL-SEC

[redacted]

[redacted]

b6
b7C
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[redacted]

[redacted]

FEDERAL BUREAU OF INVESTIGATION

[redacted] advising said agency regarding an outline of the COVELLI case in the event [redacted] County decides to nolle pros their indictment against COVELLI, as the possibility exists that he may come up for parole in June, 1963. b7D

SPRINGFIELD - INFORMATION

One copy of this report is being designated for the Springfield Division for information purposes in view of the fact that the TFIS - CONSPIRACY trial was held in that area and all government exhibits pertaining to said trial are in the court's custody at Peoria, Illinois. Also, for the information of the Peoria RA, the USA's Office, Chicago, has indicated their intention of filing a motion in the near future, possibly in June, regarding JOSEPH "RUFFY" LISCIANDRELLO and fixing a trial date regarding this defendant.

CHICAGO

AT CHICAGO, ILLINOIS. 1. Will follow the appeal regarding defendants convicted in the whisky conspiracy case.

2. Will maintain close contact with AUSA [redacted] who is presently handling this matter, regarding prosecutive action concerning subject JOSEPH LISCIANDRELLO. b6 b7C

3. Will check at the Medical Center, U.S. Public Health Service, and review their records pertaining to their examination of JOSEPH LISCIANDRELLO on 4/2/62.

4. Will contact [redacted] regarding [redacted]

ADMINISTRATIVE

It is noted that the period in this report is rather extensive; however, all leads in this matter have been handled in expeditious fashion with the Bureau being kept advised by airtels.

CG 15-12848

The focal point of attention at the present time is pending prosecution action regarding defendant JOSEPH LISCIANDRELLO.

FD-204 (Rev. 3-3-59)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago

Report of: SA [redacted] Office: Chicago, Illinois
Date: May 13, 1963

Field Office File #: 15-12848 Bureau File #: 15-38700

Title: GERALD COVELLI;
[redacted]
ET AL

Character: THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISION OF A FELONY

Synopsis:

Regarding 60CR332 (the whisky case) appeal of the conviction in U.S. District Court, Peoria, Illinois, on June 26, 1962, regarding defendants JAMES ALLEGRETTI, [redacted] and JOSEPH LISCIANDRELLO is pending and defendants received an extension of time for filing appellant's brief. Prosecutive action regarding JOSEPH "RUFFY" LISCIANDRELLO, who was severed from the above case at time of trial due to ill health, is pending in Peoria, Illinois. Records at Wesley Memorial and Ravenswood Hospitals, Chicago, checked regarding JOSEPH LISCIANDRELLO and results set forth. Doctors [redacted] advised their last contact with JOSEPH LISCIANDRELLO was February 1, 1960 and April 2, 1963, respectively.

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- P -

DETAILS: AT CHICAGO, ILLINOIS

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FD 02 (Rev. 1-25-60)

AL BUREAU OF INVESTIGATION

Date April 19, 1963

[redacted]

b6
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[redacted] advised that in the event records were necessary in this matter a subpoena should be issued care of the Medical Records Section of said hospital.

On 4/12/63 at Chicago, Illinois File # CG 15-12848

b6
b7C

by SA [redacted] sck Date dictated 4/16/63

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FD-302 (Rev. 1-25-60)

FEDERAL BUREAU OF INVESTIGATION

Date May 10, 1963

1

Doctor [redacted] was interviewed. Doctor [redacted] caused a check to be made of his records regarding JOSEPH LISCIANDRELLO and advised as follows: b6 b7C

His records show that he prescribed medical attention initially for Mr. LISCIANDRELLO on October 26, 1957, at which time he recommended hospital treatment due to the patient's having a cardiac and asthmatic accompanied by many allergies and acute bronchial asthma. At this time the medication disclosed that the patient received treatment by oxygen and also penicillin and the like.

The case history further reflected that Mr. LISCIANDRELLO was readmitted to Wesley Memorial Hospital at the direction of Doctor [redacted] on November 3, 1957, for bronchial asthma and acute upper respiratory infection, and was discharged on November 17, 1957. Mr. LISCIANDRELLO visited the offices of Doctor [redacted] on February 28, 1958, August 29, 1958, September 4 and 9, 1958. The calls in between this time to Mr. LISCIANDRELLO's home were not made by Doctor [redacted] as it is his policy not to make house calls. He again saw the patient on November 21, 1958, January 15, 1959, and February 1, 1960. He has not seen Mr. LISCIANDRELLO since that time and has no idea of his present health. b6 b7C

All of the above calls and medication were mainly for bronchial asthma.

On 5/2/63 at Chicago, Illinois File # CG 15-12848

by SA [redacted] /sck Date dictated 5/7/63 b6 b7C

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FD-302 (Rev. 1-25-60)

FEDERAL BUREAU OF INVESTIGATION

Date April 19, 1963

[redacted]

b6
b7C
b7D

[redacted] advised that any additional information pertaining to said patient in the hospital records would have to be made available through the issuance of a subpoena to their Medical Records Section.

On 4/15/63 at Chicago, Illinois File # CG 15-12848

by SA [redacted]/sck Date dictated 4/16/63

b6
b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FD-302 (Rev. 1-25-60)

FEDERAL BUREAU OF INVESTIGATION

Date May 13, 1963

1

Doctor [redacted] with offices at 2952 North Milwaukee Avenue, Room 217, telephone #DI 2-3122, was interviewed at the Roosevelt Tuberculosis Sanitarium, City of Chicago, 5601 North Pulaski Road, where Doctor [redacted] is presently on the staff. b6 b7C

Doctor [redacted] reviewed his medical history on JOSEPH LISCIANDRELLO and advised as follows:

Mr. LISCIANDRELLO first came to his attention when Doctor [redacted] was on the staff at Ravenswood Hospital. This was back in approximately November, 1959, and at that time Doctor [redacted] had prescribed treatment for a patient, a [redacted] (phonetic), believed to have resided on [redacted] He later received a call from [redacted] with a request that he see, as near as he can recall, [redacted] This was Mr. LISCIANDRELLO. Doctor [redacted] advised that he was making house calls at the time and his initial contact with Mr. JOSEPH LISHANDRELO (as it appeared in the doctor's records), 3758 North Lakewood Street, Chicago, was on November 19, 1959. At that time he prescribed medication for Mr. LISCIANDRELLO who he diagnosed as having bronchial asthma and an upper respiratory infection. The doctor subsequently treated Mr. LISCIANDRELLO for bronchial asthma and a compensated heart on March 10 and November 22, 1960. These were all house calls at Mr. LISCIANDRELLO's residence and he again saw the patient on March 4, 1962. During one or two of these occasions he requested of the patient that he receive hospital care; however, Mr. LISCIANDRELLO always declined same. b6 b7C

On April 1, 1962, Doctor [redacted] received a telephone call believed to have been from [redacted] with a request that the doctor come to their residence to see her husband. At that time Doctor [redacted] b6 b7C

On 5/8/63 at Chicago, Illinois File # CG 15-12848

by SA [redacted]/sck Date dictated 5/13/63 b6 b7C

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

diagnosed the ailment as bronchial pneumonia, a compensated heart with asthmatic conditions. Later that same night, around 11:00 PM or 12:00 midnight, according to the doctor's recollection, he received a telephone call from Attorney [redacted] (which name is noted on the doctor's records), making an inquiry as to why Mr. LISCIANDRELLO was not in the hospital. The doctor advised that as he recalled, this call caused him, that is Doctor [redacted] severe mental anguish at the time, as he thought it might be a malpractice suit. The doctor at that time advised Attorney [redacted] that he had not asked Mr. LISCIANDRELLO to go to the hospital because Mr. LISCIANDRELLO had declined hospital treatment on several occasions in the past. Attorney [redacted] replied, "Did you ask him this time?" and indicated to the doctor that LISCIANDRELLO would be favorably inclined in this case toward hospital treatment. With this in mind, Mr. LISCIANDRELLO, according to the doctor's records, was admitted to Ravenswood Hospital on April 1, 1962, at 1:10 AM, and received medication for bronchial pneumonia, compensated heart and an asthmatic condition.

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The doctor advised that at that time he wished he never came in contact with this case as he was receiving telephone calls from everybody and receiving some notoriety among his friends regarding his patient. He advised that his records indicated Mr. LISCIANDRELLO departed Ravenswood Hospital April 12, 1962.

He next saw the patient at his home on December 29, 1962, prescribing medication for an upper respiratory infection and on April 2, 1963, again called at the patient's home, on request, as Mr. LISCIANDRELLO had a severe asthmatic attack.

Doctor [redacted] stated he has not seen the patient, that is Mr. LISCIANDRELLO, since April 2, 1963, and assumes that since he has not been called, Mr. LISCIANDRELLO's health has improved.

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The doctor received remuneration for his services while Mr. LISCIANDRELLO was in the hospital in the amount of $75 in cash.

FD-36 (Rev. 12-13-56)

FBI

Date: 6/24/63

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL _____
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (15-38700)

FROM : SAC, CHICAGO (15-12848)

SUBJECT: GERALD COVELLI; [redacted] - FUGITIVE
ET AL
TFIS - CONSPIRACY; OOJ;
BRIBERY; MISPRISON OF FELONY

b6
b7C

Rerep of SA [redacted] dated 5/13/63 at Chicago.

Regarding appeal of conviction in USDC, Peoria, Illinois, concerning JAMES ALLEGRETTI, Et Al, this matter is still pending with the Appellant's Brief in the process of being filed.

Concerning prosecutive action regarding JOSEPH "RUFFY" LISCIANDRELLO, AUSA, Chicago, advised 6/20/63 that he had directed correspondence to USA, Springfield, concerning this matter andwas in receipt of correspondence from aforementioned USA dated 6/19/63 to the effect that the USA's Office, Springfield, Illinois, had discussed this matter with USDJ FREDERICK O. MERCER, Peoria, Illinois, and it was Judge MERCER's opinion at that time that he would defer any consideration of setting this cause for trial pending the vacancy being filled of the position of AUSA at Peoria, Illinois. The USA's Office, Springfield, advised that this AUSA's position would in all probability be filled on 7/1/63 and thereafter a conference would be had with Judge MERCER concerning a trial date regarding JOSEPH LISCIANDRELLO.

Bureau will be apprised of pertinent subsequent developments.

3 - Bureau
1 - Chicago
WDW:jmn
(4)

EX-120

REC 7 15-38700-247

Wick

8 JUN 26 1963

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

54 JUL 1 1963

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

JUN 26 11 32 AM '63

F. B. I.
U. S. DEPT. OF JUSTICE

JUN 27 1963

SAC, Chicago (15-12848) July 9, 1963

Director, FBI (15-38700)

GERALD COVELLI
[redacted] - FUGITIVE
ET AL.
TFIS - CONSPIRACY, OOJ
BRIBERY, MISPRISON OF FELONY

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b7C

Advise action being taken at this time to locate [redacted]

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b7C

NOTE: Chicago letter 2/27/63, advised AUSA [redacted] concluded indictment should remain in force so that in event [redacted] is ever located he could be brought to justice.

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b7C

PRK:bhg
(4)

MAILED 25
JUL 9 - 1963
COMM-FBI

REC 7 15-38700-248

11 JUL 10 1963

EX-105

Tolson
Belmont
Mohr
Casper
Callahan
Conrad
DeLoach
Evans
Gale
Rosen
Sullivan
Tavel
Trotter
Tele. Room
Holmes
Gandy

JUL 15 1963

MAIL ROOM ✓ TELETYPE UNIT

OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27
5010-106-03

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (15-38700)

DATE: 7/25/63

FROM : SAC, CHICAGO (15-12848)

SUBJECT: GERALD COVELLI
[redacted] FUGITIVE
ET AL.
TFIS - CONSPIRACY, OOJ
BRIBERY, MISPRISON OF FELONY

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b7C

Re Bureau letter dated July 9, 1963, regarding action being taken at the present time to locate [redacted]

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Regarding the above matter, friends, relatives and associates of [redacted] have been contacted and recontacted over an extensive period of time and all in substance disclaim any knowledge of his present whereabouts with the consensus of opinion being that he is deceased.

[redacted] presently lives with [redacted] in a small apartment on the [redacted] She is in weekly contact with members of [redacted] immediate family as well as periodic contact with members of the clergy. She disclaims any knowledge of [redacted] whereabouts and has pledged her cooperation in immediately notifying this office should any shred of information come to her attention, no matter how small, which might shed some light on this situation. It is noted that [redacted] testified under oath in United States District Court, Chicago, in the previous bribery trial of three defendants in this matter. She testified at that time concerning [redacted] disappearance and his whereabouts being unknown.

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33

2 - Bureau
1 - Chicago

WBW:dls
(3)

REC-54 15-38700-

ST-107

JUL 29 1963

57 AUG 1 1963

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

JUL 29 10 12 AM '63

F. B. I.
U. S. DEPT. OF JUSTICE

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

JUL 30 11 33 AM '63

F. B. I.
U. S. DEPT. OF JUSTICE

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

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b7C

Chicago informants have been unable to develop any information regarding the possible location or disposition of [redacted]. The "word is" that [redacted] b6 b7C

Police liaison is being maintained in this matter and all unidentified bodies recovered in this area are checked against [redacted] fingerprints. All existing stops remain in force regarding this matter.

This matter was discussed periodically with the United States Attorney's Office and on each occasion that office expressed a desire that federal process remain outstanding for [redacted] because this will prevent the running of the Statute of Limitations. b6 b7C

It should be noted that any information coming to the attention of this office remotely connected with [redacted] or tangible evidence concerning same would be vigorously pursued to its ultimate conclusion.

Bulky Exhibit - Inventory of Pro[redacted]d as Evidence
FD-192 (Rev. 12-5-58)

D[redacted]gust 1, 1963

☐ *Check, when submitting semiannual inventory, if no previous correspondence with Bureau.*

Bufile	Field Division
15-38700	CHICAGO

Title and Character of Case

GERALD COVELLI; [redacted]
[redacted] - FUGITIVE; ET AL
TFIS - CONSPIRACY; OOJ; MISPRISION OF FELONY

b6
b7C

Date Property Acquired	Source From Which Property Acquired
2/28/58	A wooden shed on the [redacted]

Location of Property or Bulky Exhibit	Reason for Retention of Property and Efforts Made to Dispose of Same
Bulky Exhibit Room	Evidence to be destroyed on completion of court action.

Description of Property or Exhibit and Identity of Agent Submitting Same

One empty Sunnybrook Whiskey carton which formerly contained half-pint bottles of Sunnybrook Whiskey.

Submitted by SA OTTO T. HANDWERK, JR.

JHL/dmj
(5)

15-38700-
NOT RECORDED
2 AUG 12 1963

FK/SUP.

AUG 14 1963

Field File # 15-12848-1B7

OPTIONAL FORM NO. 10
5010-104-01

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (15-38700) DATE: 7/24/63

FROM : SAC, [redacted] (47-2584)(RUC)

b6
b7C
b7D

SUBJECT: GERALD COVELLI;
[redacted]
FUGITIVE; ET AL
TFIS - CONSPIRACY; OOJ;
BRIBERY; MISPRISION OF A FELONY
OO: CHICAGO

Re Chicago teletype to Bureau, 1/15/63, and report of SA [redacted] Chicago, 2/4/63.

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Referenced communications reflect that on 1/15/63, before Federal Judge HUBERT L. WILL, Chicago, Ill., COVELLI pled guilty under Rule 20 to the impersonation charge that was pending in the Western District of [redacted] At this time COVELLI was sentenced to three years in the custody of the Attorney General to run concurrent with two other sentences imposed on other violations. The court took into consideration the one year that COVELLI was [redacted] In view of this sentence it appears that the impersonation case against COVELLI pending at [redacted] is now completed.

On 7/19/63, District Attorney [redacted] of [redacted] County at [redacted] advised SA JOHN S. PORTELLA that he has received several telephone calls and finally a recent communication from Assistant U. S. Attorney [redacted] of the Chicago U. S. Attorney's Office regarding the U. S. Attorney's Office's interest in the armed robbery charge pending against COVELLI in [redacted] A letter from the U. S. Attorney's Office dated 5/9/63, pointed out that COVELLI had cooperated with the Government and [redacted] District Attorney [redacted] stated that it was

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2 - Bureau
2 - Chicago (15-12848)
1 - [redacted]

JSP/cgy
(5)

15-38700-250

EX-102 REC-12

60 AUG 6 1963

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
JUL 25 4 31 PM '63
F. B. I.
U. S. DEPT. OF JUSTICE

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
JUL 26 9 19 AM '63
F. B. I.
U. S. DEPT. OF JUSTICE

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
JUL 26 2 52 PM '63
F. B. I.
U. S. DEPT. OF JUSTICE

[redacted]

[redacted]

[redacted]

obvious from this letter that the Federal authorities wanted to do something for COVELLI and if that was the case he was not going to stand in the way of the Federal Government. He stated that at the present time the chief prosecution witness in the armed robbery charge against GERALD COVELLI and [redacted] and has no plans to return to the United States. This, of course, weakens the prosecution's chances for successful prosecution. The remaining two victims, the District Attorney in [redacted] County feels, would be willing to forget the offense if restitution were made. He stated that his detectives have been in touch with [redacted] who is willing to make restitution to the extent that he is responsible and has placed in the hands of the District Attorney at [redacted] County, a certified check for [redacted] believed to be his part of the restitution. District Attorney [redacted] stated that he has no information as to whether or not COVELLI is going to be able to make a similar contribution towards restitution and he has no information that [redacted] is going to make this restitution for COVELLI. District Attorney [redacted] stated that as it stands at the present moment, in all probability the case against both COVELLI and [redacted] will be nolle prossed but this has not been done to date.

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Inasmuch as referenced report sets forth the sentence COVELLI received from the impersonation charge in [redacted] there is no reason for this case to remain in the pending inactive status in [redacted] Furthermore, inasmuch as the U. S. Attorney's Office in Chicago is communicating directly with the District Attorney at [redacted] County, [redacted] there is no further reason for the [redacted] Office to follow the disposition of that matter. For these reasons, the [redacted] Office file regarding GERALD COVELLI as regards to the impersonation case is being closed and the Theft from Interstate Shipment section of this file carried under a 47 classification in [redacted] is being RUC'd at this time.

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FD-263 (Rev. 5-1-59)

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE	OFFICE OF ORIGIN	DATE	INVESTIGATIVE PERIOD
CHICAGO	CHICAGO	8/30/63	6/10-8/21/63

TITLE OF CASE

GERALD COVELLI; [redacted]

FUGITIVE; ET AL

REPORT MADE BY: SA [redacted]

TYPED BY: ptc

CHARACTER OF CASE

TFIS - CONSPIRACY; OBSTRUCTION OF JUSTICE; ~~BRIBERY~~; MISPRISON OF A FELONY

4-5-63

b6
b7C

REFERENCES: Report of SA [redacted] at Chicago, dated 5/13/63.
Chicago airtel to the Bureau, dated 6/24/63.
Chicago airtel to the Bureau, dated 7/25/63.
[redacted] letter to the Bureau, dated 7/24/63.

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- P -

0-1 to CG rec'd 10/27/63

LEADS

SPRINGFIELD - INFORMATION

One (1) copy of this report is being designated for the Springfield Division for information purposes in view of the fact that the TFIS - CONSPIRACY trial was held in that area, and all all Government exhibits pertaining to said trial are in the court's custody at Peoria, Illinois. Also, for the information of the Peoria RA, the United States Attorney's Office, Chicago, is in contact with the Assistant United States Attorney's Office at Peoria, and also Judge MERCER regarding the possibility of fixing

- A -

COVER PAGE

APPROVED: SPECIAL AGENT IN CHARGE

DO NOT WRITE IN SPACES BELOW

15-38700 251

REC-97

SEP 3 1963

COPIES MADE:
1 - Bureau (15-38700)
1 - USA, Chicago
1 - Springfield (15-1943) (Info)
2 - Chicago (15-12848)

DISSEMINATION RECORD OF ATTACHED REPORT

AGENCY				
REQUEST RECD.				LBI
DATE FWD.				
HOW FWD.				
BY				

NOTATIONS: FUG. SUP.; STAT. SECT.

64 SEP 11 1963

FEDERAL BUREAU OF INVESTIGATION

FILE NUMBER	OFFICE	TITLE
[redacted]	CHICAGO	[redacted]

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b7C
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b6

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FBI
U S DEPT OF JUSTICE
SEP 5 4 55 PM '63
RECEIVED
SPECIAL INVESTIGATIVE DIVISION

RECEIVED
GENERAL INVESTIGATIVE DIVISION
SEP 8 5 24 PM '63
U S DEPT OF JUSTICE

a trial date regarding defendant JOSEPH "RUFFY" LISCIANDRELLO.

CHICAGO

AT CHICAGO, ILLINOIS. 1. Will follow the appeal regarding defendant convicted in the whisky conspiracy case.

2. Will maintain close contact with AUSA, Chicago, regarding prosecutive action concerning JOSEPH LISCIANDRELLO.

ADMINISTRATIVE

It is noted that the period in this report is rather extensive, however, all leads in this matter have been handled in an expeditious fashion with the Bureau being kept advised by airtels. The focal point of attention at the present time is pending prosecutive action regarding defendant JOSEPH LISCIANDRELLO, and also investigating any information coming to the attention of this office remotely connected with [redacted] b6 b7C

FD-204 (Rev. 3-3-59)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1-USA, Chicago

Report of: SA [redacted] Office: Chicago
Date: 8/[illegible]

b6
b7C

Field Office File No.: 15-12848 Bureau File No.: 15-38700

Title: GERALD COVELLI;
[redacted]
ET AL

Character: THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISION OF A FELONY

Synopsis: Regarding 60CR332, (the whisky case), appeal of the conviction in U.S. District Court, Peoria, Illinois, on 6/26/62, regarding defendants JAMES ALLEGRETTI, [redacted] and FRANK LISCIANDRELLO, is pending and appellant brief has been filed in U.S. Court of Appeals for 7th Circuit. Government is in process of filing briefs and it is anticipated arguments will be heard in this matter in November, 1963. Prosecutive action regarding JOSEPH "RUFFY" LISCIANDRELLO, who was severed from the above case at time of trial, due to ill health, is pending in Peoria, Illinois. Investigation to locate [redacted] unproductive.

b6
b7C

- P -

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CG 15-12848

DETAILS: AT CHICAGO, ILLINOIS

On June 20, 1963, Assistant United States Attorney [redacted] Chicago, advised regarding prosecutive action against JOSEPH "RUFFY" LISCIANDRELLO, that he had directed correspondence to the United States Attorney's Office, Springfield, Illinois, concerning this matter, and was in receipt of correspondence from afore-mentioned United States Attorney dated June 19, 1963, to the effect that the United States Attorney's Office, Springfield, Illinois, had discussed this matter with United States District Judge FREDRICK O. MERCER, Peoria, Illinois, and it was Judge MERCER's opinion at that time that he would defer any consideration of setting this cause for trial pending the vacancy being filled of the position of Assistant United States Attorney at Peoria, Illinois. It was anticipated by the United States Attorney's Office that the position of Assistant United States Attorney at Peoria will be filled in July, 1963, and thereafter a conference would be had with Judge MERCER concerning a trial date regarding Defendant JOSEPH LISCIANDRELLO. Judge MERCER at the present time has a pending civil matter before him, and it is anticipated that the LISCIANDRELLO case will be discussed at the conclusion of the civil matter.

b6
b7C

[redacted] advised SA [redacted] on July 10, 1963, that she is still currently employed at [redacted] She is residing at [redacted] She is in weekly contact with members of [redacted] immediate family, as well as periodic contact with members of the clergy. She disclaims any knowledge of [redacted] whereabouts, and has pledged her cooperation to immediately notify this Office should any shred of information come to her attention no matter how small, which might shed some light on this matter.

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b7C

The [redacted] Division advised by correspondence dated July 24, 1963, that on July 19, 1963, District Attorney [redacted] of [redacted] County, at [redacted] advised SA JOHN S. PORTELLA that he had received several telephone calls and finally a recent communication from the United States Attorney's Office at Chicago concerning the armed robbery charges pending against GERALD COVELLI in [redacted]

b7D
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b7C

The summation of the armed robbery charge against GERALD COVELLI and [redacted] at that time disclosed that the chief prosecution witness against both men was in Europe, and had no plans to return to the United States. The remaining two victims in this matter desired that restitution be made to them. Subsequently, [redacted] made restitution to the extent of his responsibility in this matter in placing a certified check for [redacted] in the hands of the District Attorney at [redacted] County. [redacted] GERALD COVELLI, subsequently forwarded a cashier's check in the amount of $279.00 to the District Attorney's Office at [redacted] County as COVELLI's share of the restitution.

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District Attorney STEWARD stated that as the evidence is at the present moment, in all probability the case against COVELLI and [redacted] will be nolly prossed.

b6
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b7D

Regarding 60CR332, (the whisky case), Assistant United States Attorney [redacted] advised on August 21, 1963, that appeal of the conviction in United States District Court, Peoria, Illinois, on June 26, 1962, regarding defendants JAMES ALLEGRETTI, [redacted] and FRANK LISCIANDRELLO, is pending and appellant brief has been filed in United States Court of Appeals for 7th Circuit. The Government is presently in process of filing briefs, and it is anticipated that arguments will be heard in this matter in November, 1963.

b6
b7C

Bulky Exhibit - Inventory of P[illegible]ed as Evidence
FD-192 (Rev. 12-5-58)

[illegible]gust 1, 1963

☐ *Check, when submitting semiannual inventory, if no previous correspondence with Bureau.*

Bufile	Field Division
15-38700	CHICAGO

Title and Character of Case

GERALD COVELLI; [redacted]
FUGITIVE; ET AL
TFIS - CONSPIRACY; OOJ; MISPRISION OF FELONY

b6
b7C

Date Property Acquired	Source From Which Property Acquired
2/28/58	Wooden shed on [redacted]

Location of Property or Bulky Exhibit	Reason for Retention of Property and Efforts Made to Dispose of Same
Bulky Exhibit Room	Evidence to be destroyed on completion of court action.

Description of Property or Exhibit and Identity of Agent Submitting Same

Submitted by SA OTTO T. HANDWERK

1 — 11½" Butcher knife, 7" stainless steel blade with wood handle, printed on blade "Goodell Company."

17 — Pieces of brown cardboard with torn edges. Each piece contained black stencil printing "Gold Seal Liq's Chicago, Illinois"

17 — Pieces of brown cardboard with torn edges. Each piece contained black stenciling "Whiskey" and each piece had a numer as follows:

J 589084	J 589319	J589058	J 589075
J589411	J 589067	J 589553	J 589198
J 589060	J 589746	J 589196	J 589301
		J 589066	J 589056
		J 589057	J 589190
		J 589560	

CG advised report will be submitted 9/2/63
PAM/cij

JHL/dmj
(5)

15-38700-

NOT RECORDED
2 AUG 12 1963

Field File # 15-12848-1B6

62 AUG 15 1963

FBI
U.S. DEPT. OF JUSTICE
AUG 13 3 11 PM '63
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SPECIAL INVESTIGATIVE

(2)
FBI/DOJ

CHICAGO	CHI-3000

CAPTIONED COMPANY; RICHARD VINCENT ENRICHIO -
FELONY; 18 USC
IRP - COMPUTER; DOC; KIDNAPPING OR NOTIFYING

5/30/63	Report made at the instance of FRANK SCHUPER, SOCO NEWS TRAFF Patrol

NONE EXPLAIN NOW	DATEGORY to be completed on completion of court action.

CONFIRMED BY AS OTTO A. KAUFMANN

II§" Defendant Enrico "Y" apparently based phone call
Mood Bergin, Interpol on phone "GOODOO CONTRACT."

FI Pieces of paper carbon with form copies. Each
Pieces constituted direct evidence "GOOD FOOD
Pizza Contract II Motor"

FI Pieces to prove carbon with form copies. Each
Pieces constituted direct evidence "GOOD FOOD
Pizza Contract II Motor"

FI Pieces to prove carbon with form copies. Each
Pieces constituted direct evidence "GOOD FOOD
Pizza Contract II Motor"

1 [illegible]		1 [illegible]	1 [illegible]
1 [illegible]	1 [illegible]	1 [illegible]	1 [illegible]
1 [illegible]	1 [illegible]	1 [illegible]	1 [illegible]
1 [illegible]	1 [illegible]	1 [illegible]	1 [illegible]
1 [illegible]	1 [illegible]	1 [illegible]	1 [illegible]

FD-263 (Rev. 6-1-59)

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE	OFFICE OF ORIGIN	DATE	INVESTIGATIVE PERIOD
CHICAGO	CHICAGO	12/10/63	9/30 - 11/27/63

TITLE OF CASE

GERALD COVELLI;
[redacted]
FUGITIVE; ET AL

REPORT MADE BY [redacted]

TYPED BY MAB

CHARACTER OF CASE

TFIS - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISON OF A FELONY

REFERENCES: Report of SA [redacted] at Chicago dated 8/30/63.
Chicago airtel to Bureau and El Paso dated 10/17/63.
[redacted] airtel to Chicago dated 11/15/63.
Chicago airtel to Bureau dated 12/3/63 captioned
[redacted]

b6
b7C
b7D

- P -

LEADS

SPRINGFIELD - INFORMATION

One copy of this report is being designated for the Springfield Division for information purposes in view of the fact that the TFIS - CONSPIRACY trial was held in that area, and all Government exhibits pertaining to said trial are in the court's custody at Peoria, Illinois. Further, for the information of the Peoria Resident Agency,

APPROVED SPECIAL AGENT IN CHARGE

DO NOT WRITE IN SPACES BELOW

15-38700-252

REC 41

EX-112

COPIES MADE:

1 - Bureau (15-38700)
1 - USA, Chicago
1 - Springfield (15-1943) (Info)
2 - Chicago (15-12848)

DEC 18 1963

DEC 15 1963

DISSEMINATION RECORD OF ATTACHED REPORT

AGENCY				
REQUEST RECD.				
DATE FWD.				
HOW FWD.				
BY				

NOTATIONS

64 DEC 19 1963

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

DEC 16 9 23 AM '63

F.B.I.
U.S. DEPT. OF JUSTICE

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

DEC 12 2 49 PM '63

F.B.I.
U.S. DEPT. OF JUSTICE

FBI

DEC 12 5 14 PM '63

SPECIAL

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

DEC 17 9 18 AM '63

F.B.I.
DEPT. OF JUSTICE

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b7D

[redacted]

[redacted]

[redacted]

[redacted]

FEDERAL BUREAU OF INVESTIGATION

the United States Attorney's Office, Chicago, is in periodic contact with the Assistant United States Attorney's Office at Peoria and the court of Judge FREDERICK MERCER regarding the possibility of a trial date concerning defendant JOSEPH "RUFFY" LISCIANDRELLO.

CHICAGO

AT CHICAGO, ILLINOIS. 1. Will follow the appeal regarding defendant convicted in the whiskey conspiracy case.

2. Will maintain close contact with Assistant United States Attorney, Chicago, regarding prosecutive action concerning JOSEPH LISCIANDRELLO.

ADMINISTRATIVE

It is noted that the period in this report is rather extensive, however, all leads in this matter have been handled in an expeditious fashion with the Bureau being kept advised by airtels. It is further noted that during the period of September 8 through September 27, 1963, the writer was assigned to the [redacted] Special in Chicago. b6 b7C

Regarding GERALD COVELLI, who is presently incarcerated in the Federal Penitentiary at La Tuna, Texas, the El Paso Office is presently in the process of accumulating information and setting up an interview with GERALD COVELLI regarding "La Cosa Nostra activities" and the criminal element in Chicago. The Bureau has been kept appraised of pending developments by airtels.

COVER PAGE

FD-1 (Rev. 3-3-59)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago

Report of: SA [redacted] Office: Chicago
Date: 12/10/63

Field Office File No.: 15-12848 Bureau File No.: 15-38700

b6
b7C

Title:

GERALD COVELLI,
[redacted]
ET AL

Character: THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISON OF A FELONY

Synopsis:

Regarding 60CR332, (the whiskey case) appeal of the conviction in U.S. District Court, Peoria, Illinois, on 6/26/62, regarding defendants JAMES ALLEGRETTI, [redacted] and FRANK LISCIANDRELLO, is pending and appellant brief has been filed in U.S. Court of Appeals for 7th Circuit. The Government is in the process of filing briefs, which are due 12/23/63, and it is anticipated that oral arguments will be heard in this matter in 1/64 or 2/64. Prosecutive action regarding JOSEPH "RUFFY" LISCIANDRELLO, who was severed from the above case at time of trial due to ill health, is pending in Peoria, Illinois, awaiting the outcome of the aforementioned appeal.

b6
b7C

- P -

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

CG 15-12848

DETAILS: AT CHICAGO, ILLINOIS

On September 30, 1963, Assistant United States Attorney [redacted] Chicago, advised regarding prosecutive action concerning defendant JOSEPH "RUFFY" LISCIANDRELLO, that he had been in contact with the Assistant United States Attorney's Office at Peoria, Illinois, and the court of Judge FREDERICK O. MERCER and it is the feeling of Judge MERCER that court action regarding LISCIANDRELLO should probably be deferred pending the hearing of the appeal regarding JAMES ALLEGRETTI, [redacted] and FRANK LISCIANDRELLO.

b6
b7C

By correspondence dated November 15, 1963, the [redacted] Division advised that on November 8, 1963, RICHARD STEWARD, District Attorney, [redacted] County, [redacted] advised that all charges against both [redacted] and GERALD COVELLI were nolle prossed on October 18, 1963.

b6
b7C
b7D

Regarding 60CR332 (the whiskey case), Assistant United States Attorney [redacted] advised on November 27, 1963, that the appeal of the conviction in United States District Court, Peoria, Illinois, on June 26, 1962, regarding defendants JAMES ALLEGRETTI, [redacted] and FRANK LISCIANDRELLO is pending and the appellant brief has been filed in United States District Court of Appeals for the 7th Circuit. The time for the appellee's brief was extended to November 1, 1963, and again to December 23, 1963. It is anticipated that oral arguments will be heard in this matter in January, 1964, or February, 1964.

b6
b7C

FD-36 (Rev. 12-13-56)

FBI

Date: 1/27/64

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL _____
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (15-38700)

FROM : SAC, CHICAGO (15-12848) (P)

SUBJECT: GERALD COVELLI [redacted] - FUGITIVE;
ET AL
TFIS - CONSPIRACY
OBSTRUCTION OF JUSTICE;
BRIBERY;
MISPRISON OF A FELONY

(OO: CHICAGO)

Re report of SA [redacted] dated 12/10/63 at Chicago.

AUSA [redacted] Chicago, advised this date that oral arguments regarding pending appeal of defendants JAMES ALLEGRETTI, ET AL will be heard in U.S. Court of Appeals for 7th Circuit 1/31/64.

Prosecutive action regarding JOSEPH "RUFFY" LISCIANDRELLO is awaiting the outcome of aforementioned appeal.

Bureau will be apprised of pertinent developments.

3 - Bureau
1 - Chicago

WDW:MAB
(4)

EX-105

15-38700-258

REC-17

12 JAN 28 1964

57 JAN 31 1964

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

JAN 29 1964

FBI
U.S. DEPT. OF JUSTICE

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GENERAL INVESTIGATIVE
DIVISION

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

JAN 29 4 19 PM '64

JAN 29 11 19 AM '64

F. B. I.
U. S. DEPT. OF JUSTICE

F. B. I.
U. S. DEPT. OF JUSTICE

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

Bulky Exhibit - Inventory of Proper[illegible] Acquired as Evidence
FD-192 (Rev. 12-5-58)

Date February 1, 1964

☐ *Check, when submitting semiannual inventory, if no previous correspondence with Bureau.*

Bufile	Field Division
15-38700	CHICAGO

Title and Character of Case

GERALD COVELLI; [redacted]
[redacted] FUGITIVE; ETAL
TFIS - CONSPIRACY; OOJ; MISPRISION OF FELONY

b6
b7C

Date Property Acquired	Source From Which Property Acquired
2/28/58	A wooden shed on [redacted]

Location of Property or Bulky Exhibit	Reason for Retention of Property and Efforts Made to Dispose of Same
Bulky Exhibit Room	Evidence to be destroyed on completion of court action.

Description of Property or Exhibit and Identity of Agent Submitting Same

One empty Sunnybrook Whiskey carton which formerly contained half-pint bottles of Sunnybrook Whiskey.

Submitted by SA OTTO T. HANDWERK, Jr.

15-38700 -
NOT RECORDED
4 FEB 10 [illegible]

JHL/dmj
(5)

FVC SUPL

Field File # 15-12848-1B7

68

FEB 1 1964

FBI
U.S. DEPT. OF JUSTICE
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RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

Bulky Exhibit - Inventory of Property Acquired as Evidence
FD-192 (Rev. 12-5-58)

Date February 1, 1964

☐ *Check, when submitting semiannual inventory, if no previous correspondence with Bureau.*

Bufile	Field Division
15-38700	CHICAGO

Title and Character of Case
GERALD COVELLI; [redacted]
FUGITIVE; ET AL
TFIS - CONSPIRACY; OOJ; MISPRISION OF FELONY

b6
b7C

Date Property Acquired	Source From Which Property Acquired
2/28/58	Wooden shed on [redacted]

Location of Property or Bulky Exhibit	Reason for Retention of Property and Efforts Made to Dispose of Same
Bulky Exhibit Room	Evidence to be destroyed on completion of court action.

Description of Property or Exhibit and Identity of Agent Submitting Same

Submitted by SA OTTO T. HANDWERK

1 11½" butcher knife, 7" stainless steel blade with wood handle, printed on blade "Goodell Company."

17 Pieces of brown cardboard with torn edges. Each piece contained black stencil printing "Gold Seal Liq's Chicago, Illinois"

17 Pieces of brown cardboard with torn edges. Each piece contained black stenciling "Whiskey" and each piece had a number as follows:

J 589084	J 589319	J589058	J 589075
J 589411	J 589067	J 589553	J 589198
J 589060	J 589746	J 589196	J 589301
		J 589066	J 589056
		J 589057	J 589190
		J 589560	

JHL/dmj
(5)

15-38700
NOT RECORDED
4 FEB 10 1964

FBI - SUP.

Field File # 15-12848-1B6

68

FBI

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OF JUSTICE

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RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

FD-3 (Rev. 5-1-59)

5-4-60

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE	OFFICE OF ORIGIN	DATE	INVESTIGATIVE PERIOD
CHICAGO	CHICAGO	2/26/64	1/27 - 2/20/64

TITLE OF CASE

GERALD COVELLI;
[redacted]
FUGITIVE
ET AL

REPORT MADE BY [redacted]

TYPED BY mjs

CHARACTER OF CASE

TFIS - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISION OF A FELONY. JOSEPH [illegible] ANDRELLO.

2. Will maintain c[illegible] regarding prosecutive action [illegible]

REFERENCES: Report of SA [redacted] at Chicago dated 12/10/63. Chicago airtel to the Bureau dated 1/27/64.

- P -

LEADS

SPRINGFIELD - INFORMATION

One copy of this report is being designated for the Springfield Division for information purposes in view of the fact that the TFIS - Conspiracy trial was held in that area in Peoria, Illinois, and all Government exhibits pertaining to said trial are in the courts custody at Peoria, Illinois.

CHICAGO

AT CHICAGO, ILLINOIS. 1. Will follow the appeal regarding defendants convicted in the whiskey conspiracy case.

APPROVED SPECIAL AGENT IN CHARGE

COPIES MADE:

1 - Bureau (15-38700)
1 - USA, Chicago
1 - Springfield (15-1943) (Info)
2 - Chicago (15-12848)

DO NOT WRITE IN SPACES BELOW

REC 10

15-38700-254

EX-117

MAR 2 1964

DISSEMINATION RECORD OF ATTACHED REPORT

AGENCY			
REQUEST RECD.			
DATE FWD.		LBT	
HOW FWD.			
BY	74 MAR 13 1964		

NOTATIONS

FBI-SUP.

STATE DEPT.

U.S. GOVERNMENT PRINTING OFFICE 16—76324-1

CG 15-12848

2. Will maintain close contact with AUSA, Chicago, regarding prosecutive action concerning JOSEPH LISCIANDRELLO.

B*
COVER PAGE

FD-204 (Rev. 2-5-50)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: I - USA, Chicago

Report of: [redacted] Office: Chicago
Date: 2/26/64

Field Office File No.: 15-12848 Bureau File No.: 15-38700

b6
b7C

Title: GERALD COVELLI;
[redacted]
ET AL

Character: THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISION OF A FELONY

Synopsis: Regarding 60CR332 (the whiskey case) oral arguments regarding the appeal of the conviction in U.S. District Court, Peoria, Illinois, on 6/26/62 regarding defendants JAMES ALLEGRETTI, ET AL, were heard by the Court of Appeals on 1/31/64 and said court now has this matter under advisement with a verdict to be returned in approximately 4 to 6 weeks. Prosecutive action regarding JOSEPH "RUFFY" LISCIANDRELLO, who was severed from the above case at time of trial due to ill health, is pending in Peoria, Illinois, awaiting the outcome of aforementioned appeal.

- P -

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

CG 15-12848

DETAILS: AT CHICAGO, ILLINOIS

Assistant United States Attorney (AUSA) [redacted] Chicago, advised on January 27, 1964, that oral arguments regarding pending appeal of defendants JAMES ALLEGRETTI, ET AL, will be heard in United States Court of Appeals for the 7th Circuit on January 31, 1964. b6 b7C

Prosecutive action regarding JOSEPH "RUFFY" LISCIANDRELLO is awaiting the outcome of aforementioned appeal.

On February 11, 1964, AUSA [redacted] advised that he argued aforementioned matter before the Court of Appeals in behalf of the Government on January 31, 1964, and defense arguments were presented at that time ~~before~~ by [redacted] b6 b7C

AUSA [redacted] advised that the Court of Appeals for the 7th Circuit, now has this matter under advisement and a verdict will probably be returned in approximately 4 to 6 weeks.

FD-36 (Rev. 10-29-63)

15
Cy
4-24-64

FBI

Date: 3/3/64

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL _____
(Priority)

TO : DIRECTOR, FBI (15-38700)

FROM: SAC, CHICAGO (15-12848)

SUBJ: GERALD COVELLI; [redacted] - FUGITIVE; ET AL
TFIS - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISON OF A FELONY

b6
b7C

Local Chicago newspapers reported death and burial on 3/2/64, of JOSEPH LISCIANDRELLO. Chicago will verify death and report same to Bureau.

3 - Bureau
1 - Chicago

JJO:bls
(4)

REC-19

15-38700-255

EX-103

MAR 5 1964

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

MAR 2 0 1964

MAR 17 1964

FBI FBI FBI

MAR 5 11 04 AM '64 MAR 6 11 50 AM MAR 17 11 19 AM '64

RECEIVED SPECIAL INVESTIGATIVE DIVISION

RECEIVED GENERAL INVESTIGATIVE DIVISION MAR 17 12 50 PM '64 F.B.I. U.S. DEPT. OF JUSTICE

FBI MAR 5 5 15 PM '64

FD-36 (Rev. 10-29-63)

FBI

Date: 3/30/64 P APR 2 1964

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL _____
(Priority)

Prior to Identification Division
Prosecution dismissed ☐ Yes ☐ No

TO: DIRECTOR, FBI (15-38700)

FROM: SAC, CHICAGO (15-12848) (P)

SUBJECT: GERALD COVELLI; [redacted] - FUGITIVE
ET AL
TFIS - CONSPIRACY;
OOJ; BRIBERY; MISPRISON OF A FELONY

b6
b7C

Re Chicago airtel to the Bureau dated 3/3/64.

On 3/11/64, AUSA [redacted] Chicago, advised at the request of United States District Court Judge HUBERT WILL he was directing correspondence to the department requesting permission to dismiss the indictment regarding [redacted]

b6
b7C

On 3/17/64, AUSA, Chicago, received the approval of the department from WILLIAM G. HUNDLY, Chief, Organized Crime and Racket Section, regarding dismissal of said indictment.

REC. 25 15-38700-256

On 3/23/64, on motion of the Government said indictment regarding [redacted] was dismissed in United States District Court, Chicago.

b6
b7C

Bureau will be appraised of pertinent developments and report will follow.

EX-102

4 APR 1 1964

3 - Bureau
1 - Chicago

WDW:JMB/pma
(4)

Approved: _____ Sent _____ Per _____
Special Agent in Charge

64 APR 17 1964

( )

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DIVISION

APR 1 1964

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GENERAL INVESTIGATIVE
DIVISION
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F.B.I.
U.S. DEPT. OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION
APR 23 1964

TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. Casper
Mr. Callahan
Mr. Conrad
Mr. DeLoach
Mr. Evans
Mr. Gale
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

FBI WASH DC

FBI CHICAGO

1217 PM CST URGENT 4/23/64 JLS

TO DIRECTOR (15-38700)

FROM CHICAGO (15-12848) 1P

GERALD COVELLI; ET AL. TFIS - CONSPIRACY; OOJ; BRIBERY; MISPRISON OF FELONY.

REREP SA [redacted] FEBRUARY TWENTYSIX LAST AT CHICAGO.

AUSA [redacted] CHICAGO, ADVISED TODAY THAT SEVENTH CIRCUIT U.S. COURT OF APPEALS HANDED DOWN DECISION APRIL TWENTYTWO LAST REVERSING DECISION OF TRIAL COURT, PEORIA, ILLINOIS. APPEALS COURT RULED TRIAL JUDGE IN ERROR IN MAKING REMARK TO JURY DURING COURSE OF TRIAL WHICH INDICATED GOVERNMENT PROVING CONSPIRACY.

CASE REVERSED AND REMANDED FOR NEW TRIAL. THEY RULED EVIDENCE SUFFICIENT TO SUSTAIN THE CONVICTION.

AUSA [redacted] ADVISED USA'S OFFICE, CHICAGO, CONSIDERING WRITING TO SOLICITOR GENERAL, WASHINGTON, FOR REHEARING IN APPELLATE COURT.

END

WA MTC

FBI WASH DC

X

REC-103 15-38700-257

25 APR 24 1964

56 APR 30 1964

b6
b7C

RECEIVED
TELETYPE UNIT

APR 23 1 20 PM '64

F. B. I.
DEPARTMENT OF JUSTICE

RECEIVED - MAIL SECTION
FBI

APR 23 1 54 PM '64

FD-263 (Rev. 5-1-59)

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE	OFFICE OF ORIGIN	DATE	INVESTIGATIVE PERIOD
CHICAGO	CHICAGO	4/28/64	3/2-4/27/64

TITLE OF CASE

GERALD COVELLI; [redacted]
FUGITIVE
ET AL

REPORT MADE BY: SA [redacted]

TYPED BY: sfs

CHARACTER OF CASE

TFIS - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISION OF A FELONY

b6 b7C

5-11-64

REFERENCES: Report of SA [redacted] at Chicago, dated 2/26/64.
Chicago airtel to the Bureau 3/3/64 and 3/30/64.
Chicago airtel to Detroit 4/9/64 (IO).
Chicago teletype to the Bureau 4/23/64.

b6 b7C

- P -

LEADS

DETROIT

AT CHAMPION, MICHIGAN: Interview [redacted] and exhibit photographs [redacted] in an effort to determine if the individual referred to in [redacted] correspondence with the United States Attorney's Office at Chicago, is identical with [redacted]
(The above lead set out in referenced Detroit airtel April 9, 1964.)

APPROVED	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW
		15-38700 - 258 REC-43

COPIES MADE:
1 - Bureau (15-38700)
1 - USA, Chicago
2 - Detroit
1 - Springfield (15-1943) (Info)
2 - Chicago (15-12848)

6 APR 30 1964

EX-C

DISSEMINATION RECORD OF ATTACHED REPORT

AGENCY				
REQUEST RECD.				
DATE FWD.				
HOW FWD.				
BY				

NOTATIONS

STAT. SECT.

74 MAY 13 1964

RECEIVED
GENERAL INVESTIGATIVE
APR 30 4 12 PM '64

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GENERAL INVESTIGATIVE
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MAY 1 12 34 PM '64

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F.B.I.
U.S. DEPT. OF JUSTICE

MAY 12 3 31 PM
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VOUCHER-STATISTICAL SEC

[redacted]

[redacted]

b6
b7C

[redacted]

[redacted]

[redacted]

FEDERAL BUREAU OF INVESTIGATION

*It should be noted by Detroit as set forth in referenced airtel that [redacted] is no longer a fugitive as the pending indictment regarding this man was dismissed in United States District Court (USDC), Chicago, on March 23, 1964. [redacted] had been carried as a fugitive for approximately five years and the opinion at the time of the dismissal of the indictment was that he was deceased. He is only carried as a fugitive in this report as this is the last report reflecting his fugitive status.

b6
b7C

SPRINGFIELD - INFORMATION

One copy of this report is being designated for the Springfield Division for information purposes in view of the fact that the TFIS - Conspiracy trial was held in that area in Peoria, Illinois, and all Government exhibits pertaining to said trial are in the court's custody at Peoria, Illinois.

CHICAGO

AT CHICAGO, ILLINOIS. Will maintain contact with United States Attorney's Office, Chicago, regarding the considerations of that office in writing to the Solicitor General in Washington, D. C., for a rehearing in the Appellate Court of the decision handed down by the Appellate Court on April 22, 1964, reversing decision of the Trial Court at Peoria, Illinois.

FD-204 (Rev. 3-3-59)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago

Report of: SA [redacted] Office: Chicago
Date: 4/28/64

Field Office File No.: 15-12848 Bureau File No.: 15-38700

b6
b7C

Title: GERALD COVELLI
[redacted]
ET AL

Character: THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISION OF A FELONY

Synopsis: Record on file Board of Health, State of Illinois, under State File Number 10770 reflects the death of JOSEPH LISANDRELLO (LISCIANDRELLO) on 2/27/64, caused by acute myocardial infarction, LISCIANDRELLO's interment was in Mount Carmel Cemetery, Proviso, Illinois. On 3/23/64, on motion of the Government after receiving approval of the Department of Justice, Washington, D.C., indictment regarding [redacted] was dismissed in United States District Court (USDC), Chicago, Illinois. Regarding 60CR332 (the whiskey case) Assistant United States Attorney (AUSA), Chicago, advised that the 7th Circuit U.S. Court of Appeals, handed down a decision April 22, 1964, reversing the decision of the trial court, Peoria, Illinois. The Appeals Court ruled that the trial judge was in error in making a remark to the jury during the course of the trial which indicated the Government had proved a conspiracy case. The case was reversed and remanded for a new trial. The Appellate Court ruled that the evidence was sufficient to sustain the conviction. United States Attorney's Office, Chicago, considering writing to the Solicitor General, Washington, D.C., for rehearing in the Appellate Court.

b6
b7C

- P -

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

CG 15-12848

DETAILS: AT CHICAGO, ILLINOIS

Local Chicago newspapers reported the death and burial on March 2, 1964, of JOSEPH LISCIANDRELLO. A check of records at the Board of Health, reflects that there is on file a medical certificate of death, State of Illinois, under State file number 10770, for JOSEPH LISANDRELLO, who died on February 27, 1964, cause of death acute myocardial infarction. LISCIANDRELLO's address was listed as 3758 North Lakewood, Chicago, Illinois, and he had been receiving medical treatment at Chicago Wesley Memorial Hospital for approximately one day. Interment was at Mount Carmel Cemetery, Proviso, Illinois.

On March 11, 1964, Assistant United States Attorney (AUSA), [redacted] Chicago, advised at the request of United States District Court (USDC) Judge HUBERT WILL, he was directing correspondence to the Department requesting permission to dismiss the indictment regarding [redacted] b6 b7C

On March 17, 1964, AUSA, Chicago, received the approval of the Department from WILLIAM G. HUNDLY, Chief, Organized Crime and Racket Section, regarding dismissal of said indictment.

On March 23, 1964, on motion of the Government, indictment regarding [redacted] was dismissed in USDC, Chicago.

On April 8, 1964, AUSA [redacted] Chicago, advised that his office was in receipt of a letter dated April 6, 1964 from a [redacted] Zip Code [redacted] to the effect that [redacted] had noted in Chicago papers publicity regarding the dismissal of the indictment regarding [redacted] and the fact that he had previously been a sought after fugitive. [redacted] indicated in his letter that he suspected an individual in that location whom he had come in contact with as possibly being identical with [redacted] He also indicated that he knows some other people from the Illinois area "who appear to be trying to hide their pasts." He requested in his letter that he be discretely contacted by a Bureau Agent so that he might observe a photo of [redacted] to determine if the man he suspects is identical. b6 b7C

CG 15-12848

Regarding 60CR332, (the whiskey case) which conviction in USDC, Peoria, Illinois, was pending before the Court of Appeals, for the 7th Circuit, this conviction was regarding defendants JAMES ALLEGRETTI; ET AL.

On April 23, 1964, AUSA [redacted] Chicago, advised that the 7th Circuit, U.S. Court of Appeals, handed down their decision April 22, 1964, reversing the decision of the Trial Court, Peoria, Illinois. The Appellate Court ruled that the trial judge, this is Judge FREDERICK O. MERCER, was in error in making a remark to the jury during the course of the trial which indicated that the Government had proved the conspiracy charge. b6 b7C

The case was reversed and remanded for a new trial. The Appellate Court ruled that the evidence was sufficient to sustain the conviction.

AUSA [redacted] advised that the United States Attorney's Office, Chicago, was considering writing to the Solicitor General, Washington, D.C., seeking a rehearing in the Appellate Court. b6 b7C

FD-263 (Rev. 5-1-59)

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE	OFFICE OF ORIGIN	DATE	INVESTIGATIVE PERIOD
CHICAGO	CHICAGO	6/25/64	4/20 - 6/17/64

TITLE OF CASE

GERALD COVELLI [redacted]
ET AL

REPORT MADE BY [redacted]

TYPED BY mm

b6
b7C

CHARACTER OF CASE

TFIS - CONSPIRACY;
OOJ; BRIBERY;
MISPRISON OF A FELONY

REFERENCES: Report of SA [redacted] dated 4/28/64 at Chicago.
Detroit airtel to Chicago dated 4/28/64. (IO)

b6
b7C

- p -

LEADS

SPRINGFIELD - INFORMATION

One copy of this report is being designated for the Springfield Division for information purposes in view of the fact that the TFIS - CONSPIRACY trial was held in Peoria, Illinois, and all government exhibits pertaining to said trial are in the Court's custody at Peoria, Illinois.

APPROVED SPECIAL AGENT IN CHARGE

DO NOT WRITE IN SPACES BELOW

15-38700-259

REC-3

3 JUN 29 1964

101

COPIES MADE:

1 - Bureau (15-38700)
1 - USA, Chicago
1 - Springfield (15-1943) (Info)
1 - Chicago (15-12848)
0-1 (6 1-SP (info))
#10 a
10-30-64
MB

DISSEMINATION RECORD OF ATTACHED REPORT

AGENCY				
REQUEST RECD.				
DATE FWD.				
HOW FWD.				
BY				

56 JUL 8 1964

NOTATIONS

STAT SECT.

U.S. GOVERNMENT PRINTING OFFICE 16—76324-1

RECEIVED
GENERAL INVESTIGATIVE

JUN 30 1 37 PM '64

[redacted]

b6
b7C

[redacted]

[redacted]

CG 15-12848

ADMINISTRATIVE

It is noted that there is a pending petition before the Appellate Court for the Seventh Circuit regarding a hearing enbanc regarding the reversal by said court of ALLEGRETTI, ET AL. This matter will be closely followed by the Chicago Office and the Bureau apprised of pertinent developments. There is presently no outstanding investigation in captioned matter as process for [redacted] has previously been dismissed. GERALD COVELLI is presently on parole in [redacted] residing in the [redacted] area. b6 b7C

FD-204 (Rev. 3-3-59)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago

Report of: SA [redacted] Office: Chicago
Date: 6/25/64

Field Office File No.: 15-12848 Bureau File No.: 15-38700

b6
b7C

Title: GERALD COVELLI;
[redacted]
ET AL

Character: THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISON OF A FELONY

Synopsis: Investigation at [redacted] regarding [redacted] disclosed he is well known to local law enforcement officers that area as a chronic complainant who is obviously suffering from mental illness. Regarding 60CR332 (the whiskey conspiracy case) the Government with the approval of the Solicitor General, Washington, D. C. has petitioned the Appellate Court for the Seventh Circuit on 5/25/64 for a hearing enbanc. Said petition is pending at the present time awaiting Defense petitions.

b6
b7C

-P-

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI, and is loaned to your agency; it and its contents are not to be distributed outside your agency.

CG 15-12848

DETAILS: AT MARQUETTE, MICHIGAN

The following information was obtained by SA [redacted] at Marquette, Michigan, on April 20, 1964: b6 b7C

Chief of Police GEORGE G. JOHNSON, Marquette, Michigan, Police Department, advised [redacted] is very well known to his department as a chronic complainant who is obviously suffering from mental illness. He stated it has been the experience of his department that each time a crime of any kind is committed in the area, [redacted] contacts the police and advises he has the subject of the crime identified and has the entire case solved. Chief JOHNSON further noted that [redacted] in the recent past was [redacted] b6 b7C

Sheriff THOMAS F. JERNSTAD and Undersheriff [redacted] Marquette County Sheriff's Office, Marquette, Michigan, advised [redacted] is very well known to them personally. Sheriff JERNSTAD advised he has had to have [redacted] committed to a mental institution on two occasions in the recent past as a result of [redacted] imaginary allegation that the "Communists are after him, have shot him and he will shoot anyone who approaches his home who he thinks might be a Communist." He was confined only six months each time and released as cured. b6 b7C

JERNSTAD stated [redacted] had threatened to shoot his neighbors in the past and currently has his home completely surrounded by a high wooden fence to keep all persons from coming on his land or attempting to enter his house. JERNSTAD stated if anyone approached [redacted] home, which is remotely located in the forest area of Marquette County near [redacted] that person should be clearly and obviously dressed in the uniform of a police officer, which [redacted] would recognize. JERNSTAD b6 b7C

stated that due to the fact [redacted] has not recently resorted to any type of violence, threats and has no immediate relatives in the area, it has not been possible to have [redacted] committed permanently to a mental institution. b6 b7C

It is to be noted that in the past three months, [redacted] has attempted to have SA [redacted] contact him with respect to a matter which he refused to discuss over the telephone. [redacted] stated to SA [redacted] that his telephone is monitored and the matter he has to discuss is "top secret." He has refused to furnish his telephone number, which is unlisted, and has refused to agree on a place to meet SA [redacted] b6 b7C

It is further noted [redacted] telephonically contacted SA [redacted] at his residence approximately one month ago at which time [redacted] stated "he wanted SA [redacted] to remove a bullet from his body which had been put there by the Communist, in order that fingerprints could be taken from the bullet and the person identified." He stated the "bullet had been put there, without his knowledge about 20 years ago and he had only recently discovered it." b6 b7C

AT CHICAGO, ILLINOIS

On April 29, 1964, Assistant United States Attorney [redacted] Chicago, advised that the Government had directed correspondence to the Solicitor General, Washington, D. C. seeking a rehearing in the Appellate Court of their reversal of JAMES ALLEGRETTI, ET AL. Should the Solicitor General approve this petition, this petition would be directed to the Appellate Court for the Seventh Circuit requesting a hearing enbanc. b6 b7C

On June 17, 1964, Assistant United States Attorney, [redacted] advised that approval had been received from the Solicitor General and on May 25, b6 b7C

1964, the Government had filed a petition with the Appellate Court for the Seventh Circuit seeking a rehearing enbanc regarding their previous reversal of the ALLEGRETTI case. Assistant United States Attorney [redacted] advised that this matter was presently in a pending status awaiting Defense petitions at which time the Appellate Court would render a ruling on the Government's petition to be held enbanc.

b6
b7C

Bulky Exhibit - Inventory of Prope... Acquired as Evidence
FD-192 (Rev. 12-5-58)

Date AUG 1 1964 February 1, 1964

☐ *Check, when submitting semiannual inventory, if no previous correspondence with Bureau.*

Buffile	Field Division
15-38700	CHICAGO

Title and Character of Case

GERALD COVELLI; [redacted]
[redacted] - FUGITIVE; ETAL
TFIS - CONSPIRACY; OOJ; MISPRISION OF FELONY

b6
b7C

Date Property Acquired	Source From Which Property Acquired
2/28/58	A wooden shed on [redacted]

Location of Property or Bulky Exhibit	Reason for Retention of Property and Efforts Made to Dispose of Same
Bulky Exhibit Room	Evidence to be destroyed on completion of court action.

Description of Property or Exhibit and Identity of Agent Submitting Same

One empty Sunnybrook Whiskey carton which formerly contained half-pint bottles of Sunnybrook Whiskey.

Submitted by SA OTTO T. HANDWERK, Jr.

JHL/dmj
(5)

15-38700
NOT RECORDED
AUG 10 1964

Field File 15-12348-187
58 AUG 17 1964

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

AUG 11 12 43 PM '64

F.B.I.
U.S. DEPT. OF JUSTICE

FBI

AUG 13 4 07 PM '64

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

Bulky Exhibit - Inventory of Prope[illegible] Acquired as Evidence
FD-192 (Rev. 12-5-58)

AUG 1 1964

Dat[illegible] February 1, 1964

☐ *Check, when submitting semiannual inventory, if no previous correspondence with Bureau.*

Bufile	Field Division
15-38700	CHICAGO

Title and Character of Case
GERALD COVELLI [redacted]
FUGITIVE; ET AL
TFIS - CONSPIRACY; OOJ; MISPRISION OF FELONY

b6
b7C

Date Property Acquired	Source From Which Property [illegible]
2/28/58	Wooden shed on [redacted]

Location of Property or Bulky Exhibit	Reason for Retention of Property and Efforts Made to Dispose of Same
Bulky Exhibit Room	Evidence to be destroyed on completion of court action.

Description of Property or Exhibit and Identity of Agent Submitting Same

Submitted by SA OTTO T. HANDWERK

1 11½" butcher knife, 7" stainless steel blade with wood handle, printed on blade "Goodell Company."

17 Pieces of brown cardboard with torn edges. Each piece contained black stencil printing "Gold Seal Liq's Chicago, Illinois"

17 Pieces of brown cardboard with torn edges. Each piece contained black stenciling "Whiskey" and each piece had a number as follows:

J 589084	J 589319	J589058	J 589075
J 589411	J 589067	J 589553	J 589198
J 589060	J 589766	J 589196	J 589301
		J 589066	J 589056
		J 589057	J 589190
		J 589560	

JHL/dmj
(5)

15-38700-

NOT RECORDED
3 AUG 10 1964

Field File # 15-12348-1E3

F33

66 AUG 12 1964

~~FBI - STD~~
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RECEIVED
GENERAL INVESTIGATIVE
DIVISION

AUG 12 9 30 AM '64

F. B. I.
U. S. DEPT. OF JUSTICE

FBI
U. S. DEPT. OF JUSTICE

AUG 11 1 43 PM '64

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

FD-36 (Rev. 10-29-63)

FBI

Date: 8/6/64

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL _____
(Priority)

TO : DIRECTOR, FBI (15-38700)

FROM : SAC, CHICAGO (15-12848)

SUBJECT: GERALD COVELLI; [redacted] - FUGITIVE;
[redacted] ET AL
TFIS - CONSPIRACY;
OOJ; BRIBERY;
MISPRISON OF FELONY

b6
b7C

Re report of SA [redacted] dated 6/17/64, at Chicago.

Circuit Judge ELMER J. SCHNACKENBERG of United States Court of Appeals for the 7th Circuit, Chicago, Illinois, on 8/3/64, ordered that in accordance with the unanimous views of the members of the court, the government's petition for a rehearing en banc in captioned matter is hereby granted and said rehearing shall be heard by the court en banc on government's petition and the answers thereto filed by JAMES ALLEGRETTI and [redacted] defendants-appellants. Bureau will be apprised of further developments.

b6
b7C

3 - Bureau
1 - Chicago

JJO:sbw
(4)

REC-21 15-38700-260

EX-108

25 AUG 8 1964

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

AUG 11 10 15 AM '64

F. B. I.
U. S. DEPT. OF JUSTICE

RECEIVED-EVANS

AUG 8 1 32 PM '64

F B I
U.S. DEPT. OF JUSTICE

AUG 11 1964

FD-36 (Rev. 10-29-63)

FBI

Date: 9/21/64

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL _____
(Priority)

TO: DIRECTOR, FBI (15-38700)

FROM: SAC, CHICAGO (15-12848)

SUBJECT: GERALD COVELLI; [redacted] ET AL
TFIS - CONSPIRACY;
OOJ; BRIBERY;
MISPRISON OF FELONY

b6
b7C

Re Chicago airtel to Bureau dated 8/6/64.

AUSA [redacted] Chicago, advised this date, oral arguments regarding the ALLEGRETTI appeal before the U.S. Court of Appeals, 7th Circuit , Chicago, Illinois, are set for October 20, 1964. This rehearing en bank is before all seven judges of said court.

b6
b7C

AUSA [redacted] advised that the Court of Appeals will probably take from four to six weeks thereafter, prior to rendering a decision on this matter.

b6
b7C

Bureau will be appraised of pertinent subsequent developments.

3 - Bureau
1 - Chicago
WDW/amm
(4)

REC-66 15-38700-261

EX-103

21 SEP 23 1964

216
67 SEP 25 1964

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

C C - Wick

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

SEP 23 10 47 AM '64

F. B. I.
U. S. DEPT. OF JUSTICE

FD-36 (Rev. 5-22-64)

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. DeLoach
Mr. Casper
Mr. Callahan
Mr. Conrad
Mr. Evans
Mr. Gale
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

FBI

Date: 10/23/64

Transmit the following in _____ (Type in plaintext or code)

Via AIRTEL _____ (Priority)

TO : DIRECTOR, FBI (15-38700)

FROM : SAC, CHICAGO (15-12848)

SUBJECT: GERALD COVELLI; [redacted] Et Al
TFIS - CONSPIRACY; OOJ
BRIBERY, MISPRISON OF FELONY

b6
b7C

Re Chicago airtel to Bureau 9/21/64.

On 10/20/64, the U.S. Circuit Court of Appeal, 7th Circuit, Chicago, Illinois, sitting "en banc", heard oral arguments in a rehearing of the appeals case of JAMES ALLEGRETTI, et al.

AUSA [redacted] advised that the Court of Appeal will probably take some four to six weeks consideration of this matter, prior to rendering a decision regarding same.

b6
b7C

Bureau will be apprised of pertinent developments.

3 - Bureau
1 - Chicago

WDW/glp
(4)

15-38700-242

REC 61

4 OCT 26 1964

D. C. Wick

EX-103

58 OCT 28 1964

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

10-25
gh

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

OCT 25 7 30 PM '64

F. B. I.
U. S. DEPT. OF JUSTICE

FD-263 (Rev. 5-1-59)

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE	OFFICE OF ORIGIN	DATE	INVESTIGATIVE PERIOD
CHICAGO	CHICAGO	10/30/64	8/6 - 10/23/64

TITLE OF CASE

GERALD COVELLI;
[redacted]
ET AL

REPORT MADE BY

SA [redacted]

TYPED BY

CHARACTER OF CASE

TFIS - CONSPIRACY;
OOJ: BRIBERY;
MISPRISON OF FELONY

b6
b7C

REFERENCES: Report of SA [redacted] at Chicago dated 6/25/64.
Chicago airtels to the Bureau, dated 8/6, 9/21, and 10/23/64.

b6
b7C

- P -

LEADS

SPRINGFIELD - INFORMATION

One copy of this report is being designated for the Springfield Division for information purposes in view of the fact that the TFIS - CONSPIRACY trial was held in Peoria, Illinois, and all Government exhibits pertaining to said trial are in the Court's custody at Peoria, Illinois.

APPROVED MWJ SPECIAL AGENT IN CHARGE

COPIES MADE:

1 - Bureau (15-38700)
1 - USA, Chicago
1 - Springfield (15-1943) (Info.)
2 - Chicago (15-12848)

DO NOT WRITE IN SPACES BELOW

15 - 38700 - 263 REC-64

EX-117

NOV 3 1964

DISSEMINATION RECORD OF ATTACHED REPORT

AGENCY				
REQUEST RECD.				
DATE FWD.				
HOW FWD.				
BY				

NOTATIONS

STATL SECT.

U.S. GOVERNMENT PRINTING OFFICE 16—76324-1

66 NOV 6 1964

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

Nov 5 2 13 PM '64

U.S. DEPT. OF JUSTICE

b6
b7C

CG 12848

CHICAGO

AT CHICAGO, ILLINOIS. Will maintain contact with the USA's Office regarding U.S. Court of Appeals decision regarding JAMES ALLEGRETTI; ET AL.

- B* -
COVER PAGE

FD-204 (Rev. 3-3-59)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, CHICAGO

Report of: SA [redacted] Office: CHICAGO
Date: 10/[redacted]

Field Office File No.: 15-12848 Bureau File No.: 15-38700

Title: GERALD COVELLI;
[redacted]
ET AL.

Character: THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISON OF A FELONY

Synopsis:

Circuit Judge ELMER J. SCHNACKENBERT of USC of Appeals, 7th Circuit, Chicago, Illinois, on 8/3/64, ordered that in accordance with the unanimous views of the members of said court, the Government's petition for a rehearing en banc in captioned matter is hereby granted and said rehearing shall be reheard by the court enbanc on Government's petition and the answers thereto filed by JAMES ALLEGRETTI and [redacted] defendants-appeallants. On 10/20/64, the US Circuit Court of Appeals, 7th Circuit sitting en banc heard oral agreements in a rehearing of aforesaid matter. This court presently has this matter underconsideration.

b6
b7C

- P -

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

CG 15-12848

DETAILS: AT CHICAGO, ILLINOIS

Circuit Judge ELMER J. SCHNACKENBERG of United States Court of Appeals for the 7th Circuit, Chicago, Illinois, on August 3, 1964, ordered that in accordance with the unanimous views of the members of the court, the Government's petition for a rehearing en banc in captioned matter is hereby granted and said hearing shall be heard by the court en banc on Government's petition and the answers thereto filed by JAMES ALLEGRETTI and [redacted] defendants-appellants. b6 b7C

On September 21, 1964, Assistant United States Attorney [redacted] Chicago, advised that oral agreements regarding the ALLEGRETTI appeal before the United States Court of Appeals, 7th Circuit, Chicago, Illinois, are set for October 20, 1964. This rehearing en banc is before all seven judges of said court. b6 b7C

Assistant United States Attorney [redacted] advised that the Court of Appeals will probably take from four to six before making a decision in this matter. b6 b7C

On October 26, 1964, Assistant United States Attorney [redacted] advised that the United States Court of Appeals, 7th Circuit, Chicago, Illinois, sitting en banc hearing oral agreements in a rehearing of the JAMES ALLEGRETTI matter. b6 b7C

Assistant United States Attorney [redacted] stated that said court presently has this matter under consideration and will probably taken from four to six weeks prior to rendering a decision on this matter. b6 b7C

FD-36 (Rev. 5-22-64)

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. DeLoach
Mr. Casper
Mr. Callahan
Mr. Conrad
Mr. Felt
Mr. Gale
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

FBI

Date: 12/18/64

Transmit the following in _____
(Type in plaintext or code)

Via AIRTEL _____
(Priority)

TO : DIRECTOR, FBI (15-38700)

FROM : SAC, CHICAGO (15-12848)

SUBJECT: GERALD COVELLI; ET AL
TFIS - CONSPIRACY; OOJ;
BRIBERY; MISPRISION OF
FELONY

Re report of SA [redacted] dated 10/30/64 at Chicago.

b6
b7C

AUSA [redacted] advised on 12/17/64, that the U.S. Court of Appeals, 7th Circuit, Chicago, Illinois, has not submitted a decision and continues to have this matter under consideration. Bureau will be apprised of developments.

REC-7 15-38700-264

ST-108

21 DEC 22 1964

3 - Bureau
1 - Chicago

JJO:mhh
(4)

E. C. Wm

7159

69 DEC 28 1964

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
DEC 20 6 38 PM '64
F. B. I.
U. S. DEPT. OF JUSTICE

69

mb
12/20

D O

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

DEC 22 1964

TELETYPE

Mr. Tolson
Mr. Belmont
Mr. Mohr
Mr. DeLoach
Mr. Casper
Mr. Callahan
Mr. Conrad
Mr. Felt
Mr. Gale
Mr. Rosen
Mr. Sullivan
Mr. Tavel
Mr. Trotter
Tele. Room
Miss Holmes
Miss Gandy

FBI WASH DC

FBI CHICAGO

452PM CST DEFERRED 12/22/64 JLS

TO DIRECTOR (15-38700)

FROM CHICAGO (15-12848) 1P

GERALD COVELLI; ET AL. ~~TFIS~~ Theft from Interstate Shipment DASH CONSPIRACY; ~~OOJ~~ Obstruction of Justice BRIBERY; MISPRISION OF FELONY.

RE CHICAGO AIRTEL TO BUREAU DEC. ~~EIGHTEEN LAST~~ 18, 1964.

SEVENTH CIRCUIT COURT OF APPEALS MEETING EN BANC REVERSED THE PRIOR RULING OF THE COURT OF APPEALS AND AFFIRMED THE CONVICTIONS IN THIS CASE. APPELLANTS WERE GIVEN FIFTEEN DAYS TO FILE FOR REHEARING AND THIRTY DAYS TO FILE FOR CERTIORARI BEFORE SUPREME COURT.

THE EN BANC DECISION WAS BY A VOTE OF SIX TO ONE UPHOLDING CONVICTIONS.

END

WA WBS

FBI WASH DC

REC-47 15-38700-265

5 DEC 24 1964

EX-103

58 DEC 30 1964

REC'D-TELETYPE UNIT
F B I

RECEIVED
GENERAL INVESTIGATIVE
DIVISION
DEC 22 6 01 PM '64

REC'D - ROSEN
FBI

DEC 23 9 40 AM '64

DEC 23 10 53 AM '64

F. B. I.
U. S DEPT. OF JUSTICE

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REC'D-CRIMINAL SEC.
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DEC 23 8 44 AM '64

REC'D BELMONT
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GENERAL INVESTIGATIVE
DIVISION

DEC 22 6 31 PM '64

F. B. I.
U. S DEPT. OF JUSTICE

12/23/64

GENERAL INVESTIGATIVE DIVISION

This concerns the hijacking in 1958 in Chicago of a load of whiskey. After the trial, during which an attempt was made to bribe a juror, four subjects were convicted and sentenced to seven year terms. On appeal, the convictions were reversed on a ruling that the trial judge made prejudicial statements. Government petitioned for a rehearing on the appeal verdict. Incoming reflects result of the rehearing.

DAS:pah

Bulky Exhibit - Inventory of Prope... Accepted as Evidence
FD-192 (Rev. 12-5-58)

Date AUG 1 1964 February 1, 1964

☐ *Check, when submitting semiannual inventory, if no previous correspondence with Bureau.*

Bufile	Field Division
16-38700	CHICAGO

Title and Character of Case

GERALD COVELLI; [redacted]
[redacted] - FUGITIVE; ETAL
TFIS - CONSPIRACY; OOJ; MISPRISION OF FELONY

b6
b7C

Date Property Acquired	Source From Which Property Acquired
2/28/53	A wooden shed on [redacted]

Location of Property or Bulky Exhibit	Reason for Retention of Property and Efforts Made to Dispose of Same
Bulky Exhibit Room	Evidence to be destroyed on completion of court action.

Description of Property or Exhibit and Identity of Agent Submitting Same

One empty Sunnybrook Whiskey carton which formerly contained half-pint bottles of Sunnybrook Whiskey.

Submitted by SA OTTO T. HAINBURGER, Jr.

SEMIANNUAL INVENTORY CERTIFICATION TO JUSTIFY RETENTION OF PROPERTY (Initial and date)

		JHO	2/5/65

JHL/dmj
(6)

16-38700

NOT RECORDED
2 FEB 12 1965

FUG. SUP.
SEX

Field File # 16-12848-187

56 FEB 16 1965

FBI
U S DEPT OF JUSTICE

FEB 15 12 41 PM '65

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

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GENERAL INVESTIGATIVE
DIVISION

FEB 16 9 17 AM '65

F.B.I.
DEPT OF JUSTICE

Bulky Exhibit - Inventory of Propo... Acquired as Evidence
FD-192 (Rev. 12-5-58)

AUG 1 1964

Date February 1, 1964

☐ *Check, when submitting semiannual inventory, if no previous correspondence with Bureau.*

Bufile	Field Division
15-38700	CHICAGO

Title and Character of Case
GERALD COVELLI; [redacted]
FUGITIVE; ET AL
TFIS - CONSPIRACY; COJ; MISPRISION OF FELONY

b6
b7C

Date Property Acquired	Source From Which Property Acquired
2/28/58	Woodon shed on [redacted]

Location of Property or Bulky Exhibit	Reason for Retention of Property and Efforts Made to Dispose of Same
Bulky Exhibit Room	Evidence to be destroyed on completion of court action.

Description of Property or Exhibit and Identity of Agent Submitting Same

Submitted by SA OTTO T. HANDWERK

1 11½" butcher knife, 7" stainless steel blade with wood handle, printed on blade "Goodell Company."

17 Pieces of brown cardboard with torn edges. Each piece contained black stencil printing "Gold Seal Liq's Chicago, Illinois"

17 Pieces of brown cardboard with torn edges. Each piece contained black stenciling "Whiskey" and each piece had a number as follows:

J 589004	J 589319	J589058	J 589075
J 589411	J 589067	J 589553	J 589198
J 589060	J 589760	J 589196	J 589301
		J 589066	J 589056
		J 589067	J 589190
		J 589560	

15-38700

NOT RECORDED
FEB 12 1965

5-24848-1B6

SEMIANNUAL INVENTORY CERTIFICATION TO JUSTIFY RETENTION OF PROPERTY (Initial and date)

			1/15/65

FUGITIVE SUP.

58 FEB 16 1965

RECEIVED
GENERAL INVESTIGATIVE
DIVISION

FEB 15 4 08 PM '65

F. B. I.
U. S. DEPT. OF JUSTICE

FBI
U. S. DEPT. OF JUSTICE

FEB 15 10 54 AM '65

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

Bulky Exhibit - Inventory of Prope... Acquired as Evidence
FD-192 (Rev. 12-5-58)

AUG 1 1964

February 1, 1964

☐ *Check, when submitting semiannual inventory, if no previous correspondence with Bureau.*

Bufile	Field Division
15-38700	CHICAGO

Title and Character of Case

GERALD COVELLI; [redacted]
[redacted] - FUGITIVE; ETAL
TFIS - CONSPIRACY; OOJ; MISPRISION OF FELONY

b6
b7C

Date Property Acquired	Source From Which Property Acquired
2/28/63	A receipt signed on [redacted]

Location of Property or Bulky Exhibit	Reason for Retention of Property and Efforts Made to Dispose of Same
Bulky Exhibit Room	Evidence to be destroyed on completion of court action.

Description of Property or Exhibit and Identity of Agent Submitting Same

One empty Sunnybrook Whiskey carton which formerly contained half-pint bottles of Sunnybrook Whiskey.

Submitted by SA OTTO T. HAUBURK, Jr.

SEMIANNUAL INVENTORY CERTIFICATION TO JUSTIFY RETENTION OF PROPERTY (Initial and date)

		OTO	7/5/65

JHL/dmj
(5)

15-38700-
NOT RECORDED
2 FEB 11 1965

FUG. SUP.

Field File # 16-12849-157

58 FEB 16 1965

7

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GENERAL INVESTIGATIVE
DIVISION

FEB '65 11 54 AM FEB 12 10 26 AM '65

F. B. I.
DEPT. OF JUSTICE

RECEIVED
SPECIAL INVESTIGATIVE
DIVISION

Ch 2/16
12

Bulky Exhibit - Inventory of Prop... Acquired as Evidence
FD-192 (Rev. 12-5-58)

AUG 1 1964

Date February 1, 1964

☐ *Check, when submitting semiannual inventory, if no previous correspondence with Bureau.*

Bufile	Field Division
15-38700	CHICAGO

Title and Character of Case
GERALD COVELLI; [redacted]
FUGITIVE; ET AL
TFIS - CONSPIRACY; COJ; MISPRISION OF FELONY

b6
b7C

Date Property Acquired	Source From Which Property [redacted]
2/28/63	Wooden shed on [redacted]

Location of Property or Bulky Exhibit	Reason for Retention of Property and Efforts Made to Dispose of Same
Bulky Exhibit Room	Evidence to be destroyed on completion of court action.

Description of Property or Exhibit and Identity of Agent Submitting Same

Submitted by SA OTTO T. HANDWERK

1 11½" butcher knife, 7" stainless steel blade with wood handle, printed on blade "Geedell Company."

17 Pieces of brown cardboard with torn edges. Each piece contained black stencil printing "Gold Seal Liq's Chicago, Illinois"

17 Pieces of brown cardboard with torn edges. Each piece contained black stenciling "Whiskey" and each piece had a number as follows:

J 589084	J 589319	J589058	J 589075
J 589411	J 589067	J 589553	J 589198
J 589069	J 589766	J 589196	J 589301
		J 589066	J 589056
		J 589067	J 589190
		J 589560	

15-38700

NOT RECORDED
FEB 11 1965

15-24848-186

SEMIANNUAL INVENTORY CERTIFICATION TO JUSTIFY RETENTION OF PROPERTY (Initial and date)

		290	2/5/65

FUG/SUP.
SIX

58 FEB 16 1965

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DIVISION

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DIVISION

FEB 15 11 36 AM '65

F. B. I.
U. S. DEPT. OF JUSTICE

FD-36 (Rev. 10-29-63)

FBI

Date: 2/26/65

Transmit the following in _____
(Type in plain text or code)

Via AIRTEL _____
(Priority)

TO : DIRECTOR, FBI (15-38700)

FROM : SAC, CHICAGO (15-12848)

SUBJECT: GERALD COVELLI; et al
TFIS - CONSPIRACY
OOJ; BRIBERY;
MISPRISION OF FELONY

Remyairtel dated 12/22/64.

United States Court of Appeals for the 7th Circuit, Chicago, Illinois, received notices reflecting the filing on 2/20/65 of Petitions for Writ of Certiorari as to defendants ALLEGRETTI and [redacted] with the Supreme Court of the United States. Stay of issuance of mandate by United States Court of Appeals for the 7th Circuit as to defendant FALZONE is to 2/27/65 and as to defendant LISCIANDRELLO is to 3/17/65.

b6
b7C

WFO to follow andoreport Supreme Court action in this matter.

Bureau will be apprised of further development. Report follows.

3 - Bureau
1 - WFO (Info)
1 - Chicago
JJO/lf/krp
(5)

15-38700-2660

REC-130

FEB 27 1965

Approved: _____ Sent _____ M Per _____
Special Agent in Charge

MAR 8 1965

WICK

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FEDERAL INVESTIGATIVE
DIVISION

FEB 27 4 33 PM '65

F. B. I.
U.S. DEPT. OF JUSTICE

MAR 1 1965

(2)
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[illegible]

[illegible]

[redacted]

b6
b7C

[illegible]

FD-263 (Rev. 5-1-59)

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE	OFFICE OF ORIGIN	DATE	INVESTIGATIVE PERIOD
CHICAGO	CHICAGO	3/3/65	12/18/64 - 3/2/65

TITLE OF CASE	REPORT MADE BY	TYPED BY
GERALD COVELLI; ET AL	SA JOHN J. OITZINGER	mjt

CHARACTER OF CASE

TFIS - CONSPIRACY;
OOJ; BRIBERY;
MISPRISON OF FELONY

REFERENCES: Chicago airtels to Bureau dated 12/22/64 and 2/26/65.
Report of SA [redacted] dated 10/30/64 at Chicago.

b6
b7C

- P* -

LEADS

WASHINGTON FIELD

AT WASHINGTON, D. C. Will follow and report United States Supreme Court action in this matter.

CHICAGO

AT CHICAGO, ILLINOIS. Will follow and report further court action.

APPROVED SPECIAL AGENT IN CHARGE

DO NOT WRITE IN SPACES BELOW

COPIES MADE:
1 - Bureau (15-38700)
1 - USA, Chicago
2 - WFO
1 - Springfield (15-1943) (Info)
2 - Chicago (15-12848)

15-38700-267

REC 30

3 MAR 5 1965

Dissemination Record of Attached Report				
Agency				
Request Recd.				
Date Fwd.				
How Fwd.				
By				

Notations

STAT. SECT.

64 MAR 12 1965

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GENERAL INVESTIGATIVE
DIVISION

MAR 8 3 02 PM '65

F. B. I.
U S DEPT OF JUSTICE

DEC 3

CG 15-12848

ADMINISTRATIVE

The excessive period in this report is due to the prolonged prosecutive action in the United States Court of Appeals.

An information copy is designated for the Springfield Division inasmuch as the TFIS-Conspiracy trial was held in the Southern District of Illinois and all government exhibits are in custody of the United States District Court, Peoria, Illinois.

FD-204 (Rev. 3-3-59)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, CHICAGO

Report of: SA JOHN J. OITZINGER
Date: 3/3/65

Office: CHICAGO

Field Office File #: 15-12848

Bureau File #: 15-38700

Title: GERALD COVELLI;
ET AL

Character: THEFT FROM INTERSTATE SHIPMENT - CONSPIRACY; OBSTRUCTION OF JUSTICE; BRIBERY; MISPRISON OF FELONY

Synopsis: USCA, 7th Circuit, Chicago, Illinois, meeting en banc on 12/22/64 reversed its prior ruling and affirmed the convictions in this case. The Court of Appeals state issuance of mandate of the court as to all defendants. Court of Appeals was advised that on 2/20/65 writs of certiorari were filed on behalf of ALLEGRETTI, [redacted] with U. S. Supreme Court.

b6
b7C

- P* -

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

DETAILS: AT CHICAGO, ILLINOIS

Assistant United States Attorney [redacted] [redacted] Chief of Appellate Division, Northern District of Illinois, advised SA [redacted] on December 17, 1964, that the United States Court of Appeals For the Seventh Circuit has not submitted a decision and continues to have this matter under consideration. b6 b7C

Assistant United States Attorney [redacted] advised [redacted] on December 22, 1964, that the United States Court of Appeals for the Seventh Circuit, meeting en banc on December 22, 1964, reversed its prior ruling and affirmed the convictions of the United States District Court in this case. The appellants were given 15 days to file for a rehearing and 30 days to file their petitions for certiorari before the United States Supreme Court. He further stated that the en banc decision was by a vote of six to one upholding the convictions. b6 b7C

Assistant United States Attorney [redacted] advised on February 26, 1965, a petition for rehearing from the en banc decision of the United States Court of Appeal for the Seventh Circuit was denied, one judge descenting on January 21, 1965. [redacted] further advised that the United States Court of Appeals had stayed the issuance of the mandate of the court as to defendant JAMES ALLEGRETTI to February 21, 1965, and for 30 days as to defendant [redacted] b6 b7C

[redacted] stated on February 15, 1965, that the Court of Appeals granted a 30 day stay of their mandate as to defendant FRANK LISCIANDRELLO on the same date. b6 b7C

Assistant United States Attorney [redacted] advised on February 26, 1965, that the United States Court of Appeals upon the motion and affidavit of defendant [redacted] on February 24, 1965, ordered that the issuance of the mandate of this court be stayed for 30 days subject to the provisions of Rule 28 of the Rules of this Court. b6 b7C

CG 15-I2848

On March 1, 1965, the records of the clerk of the United States Court of Appeals For the Seventh Circuit pertaining to the aforementioned defendants were reviewed. The Supreme Court of the United States, Washington, D. C., mailed notices to the Court of Appeals reflecting that petitions for writ of certiorari were filed on February 20, 1965, on behalf of defendants ALLEGRETTI and [redacted] The records further reflect that on February 27, 1965, a similar petition for certiorari was filed on behalf of defendant [redacted] with the United States Supreme Court.

b6
b7C